

1
2
3
4
5
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MEETING
STATE OF CALIFORNIA
CALIFORNIA WASTE MANAGEMENT BOARD

COPY

STATE OFFICE BUILDING
1350 FRONT STREET
ROOM B-109
SAN DIEGO, CALIFORNIA

TUESDAY, APRIL 21, 1987
10:00 A.M.

Eileen Jennings, C.S.R.
License No. 5122

INDEX

--oOo--

| | <u>Page</u> |
|--|-------------|
| Proceedings | 1 |
| Opening remarks by Chairman Roodzant | 1 |
| Proposed changes to the agenda | 1 |
| Item 1 - Consideration of Contract Funds Allocated for Public Awareness Program | |
| Presentation by Mr. McNally | 3 |
| Remarks by Executive Officer Eowan | 5 |
| Question-and-answer session | 7 |
| Action to adopt staff recommendation | 14 |
| Item 2 - Consideration of the Determination of Conformance and Concurrence with the Revised Solid Waste Facilities Permit for the Chiquita Canyon Landfill, Los Angeles County | |
| Remarks by Mr. Iwahiro | 15 |
| Presentation by Mr. Smith | 16 |
| Question-and-answer session | 18 |
| Presentation by Mr. McCafferty | 20 |
| Question-and-answer session | 23 |
| Action on Solid Waste Facility Determination of Conformance #87-5 and Solid Waste Facilities Permit Decision #87-16 | 25 |
| Item 3 - Report on the Status of Compliance of Santa Clara/Coastal Landfill, Ventura County | |
| Remarks by Mr. Iwahiro | 26 |
| Presentation by Mr. Conaway | 26 |
| Remarks by Mr. Hauge | 30 |

INDEX (Continued)

--oOo--

Page

Item 4 - Semi-Annual Report and Consideration of Revising
the Scope of Work for the Contract with SRI for the
Characterization of Household Hazardous Wastes and
Recyclables in the Municipal Waste Stream

Remarks by Mr. Iwahiro 33

Presentation by Ms. O'Leary 34

Presentation by Dr. Bomberger 36

Question-and-answer session 43

Action to adopt staff recommendation 74

Item 5 - Consideration of Invitation for Bids (IFB) for
Consulting Services to Conduct a Recycling Study

Remarks by Mr. Oldall 75

Presentation by Ms. Brow 75

Question-and-answer session 78

Action to adopt staff recommendation with
changes 96

Item 7 - Consideration of Approval of Final Report of the
Advisory Committee on Significant Change

Remarks by Executive Officer Eowan 105

Question-and-answer session 105

Presentation by Mr. Larson 106

Question-and-answer session 109

Item 8 - Consideration of the Approval of the Report to the
Legislature, "Waste-to-Energy Update 1987"

Remarks by Mr. Iwahiro 111

Presentation by Ms. Gildart 112

Question-and-answer session 126

INDEX (Continued)

--oOo--

Page

Item 8 (continued)

Action to approve report

134

Item 10 - Review of Department of Conservation Regulations
for the Implementation of Assembly Bill 2020

Presentation by Mr. Larson

135

Item 11 - Presentation of Draft Regulations on Financial
Assurances During Operation (AB 3527, 1984)

Presentation by Mr. Conheim

140

Question-and-answer session

145

Recess

152

Certificate of Reporter

153

--oOo--

P R O C E E D I N G S

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CHAIRMAN ROODZANT: Good morning. We'll call the meeting of the California Waste Management Board to order.

I'd ask you to join with me in holding this meeting in memory of a long-time departed staff member of the Waste Management Board who held a senior position for many years there at the Board, Odis Marlow, who passed away the past couple of weeks since our last Board meeting. Later on this meeting you'll have the opportunity to review a resolution in his memory.

Are there any proposed changes to the agenda?

EXECUTIVE OFFICER EOWAN: Good morning, Mr. Chairman and members.

I would ask that on Item No. 6, if we could hear that tomorrow. We have some Board members here who aren't here today.

Also on Item No. 9, we've requested that a member of the Water Board come in and participate in that discussion and he won't be here until tomorrow. So, if we could also hear that tomorrow morning.

Other than that, there are no other changes that I know of.

CHAIRMAN ROODZANT: Are there any other requested changes? Anybody from the audience who would rather have

1 something heard right up front today?

2 Hearing none, we'll move right along then.

3 Item No. 1, Consideration of Contract Funds
4 Allocated for Public Awareness Program.

5 EXECUTIVE OFFICER EOWAN: Mr. Chairman, we've asked
6 Mr. Ray McNally of Ray McNally & Associates to participate in
7 giving a presentation.

8 (Thereupon a short discussion was held off the
9 record.)

10 EXECUTIVE OFFICER EOWAN: Mr. McNally is here to
11 make a presentation to us that staff have been discussing
12 with him regarding the Public Awareness Program here at the
13 Board.

14 We've had a number of discussions in past meetings
15 regarding how we should best get our message out to the media
16 and we've discussed a variety of ways of doing that --
17 everything from a mixed bag of public service announcements,
18 op-ed pieces in newspapers, perhaps even video documentaries.

19 We've now come to a place where we think we have a
20 good proposal that can in many ways get the message out to
21 the citizens of California that the work that this Board does
22 and the industry does is vital and important to maintaining
23 good environmental quality in the State of California.

24 Mr. McNally will present to you something that's
25 really a new concept for us to maybe repackage the message

1 that we want to give and give it a fresh approach.

2 So, Ray, if you want to go ahead and just make your
3 presentation.

4 MR. McNALLY: Basically, what we're proposing is to
5 continue the efforts to publicize the work of the Waste
6 Management Board; only to increase those efforts and to give
7 them a unified theme and look. We've proposed the theme
8 "California Cleanin" and developed this logo which could be
9 used to come to be identified with all the different projects
10 the Board is undertaking from waste-to-energy, landfilling,
11 all the issues. We think by unifying it under a common theme
12 we'll be able to have more impact over time.

13 One of the main goals of the program will be to
14 educate the public about the Board's efforts to safely
15 dispose of 36 million tons of solid waste each year.

16 We propose launching the campaign with an
17 anti-litter program. The reason being is we think an
18 anti-litter effort would lend itself to public service
19 announcements more so than some of the other more complex
20 issues. Secondly, we think it would be a good way to just
21 attract attention for the Board. Thirdly, we can't think of
22 anybody who would oppose such a program and come out in favor
23 of litter. So, we think that's a good positive way to begin
24 generating attention to the Board and just one of its
25 programs.

1 Now, once we get our foot in the door talking about
2 litter to the public, we propose that the discussion be
3 expanded to the other issues dealt with by the Board --
4 waste-to-energy, landfill siting, recycling and the like.

5 With regard to the anti-litter program, we propose a
6 series of program elements including the production of a
7 television public service announcement, production of three
8 public service announcements for radio -- I've targeted the
9 different groups -- and production of a "California Cleanin"
10 anti-litter press kit for distribution to the media
11 throughout the state.

12 We are also proposing launching the campaign
13 sometime this summer with an appearance by the Governor,
14 Board members and other celebrities and government officials.

15 We also proposed editorial board tours by members of
16 the Board. Here again, once we're in talking to the
17 editorial boards and asking them to support the anti-litter
18 project, which is one of the programs of the "California
19 Cleanin" campaign, expand the discussion to other issues.

20 We also propose soliciting radio and television
21 interviews. In the last several months I think we generated
22 about 30 radio and television interviews with regard to the
23 issue of litter. So, there is an interest on the part of the
24 media on this issue.

25 We also propose preparation of a truck tarping

1 brochure for distribution at weigh stations, landfills,
2 border check-points, toll bridges and for insertion in
3 selected DMV mailings. Most likely to registered truck
4 owners.

5 We also suggest pitching corporations and
6 encouraging them to display the new "California Cleanin" logo
7 on their products and also begin soliciting them for possible
8 support for expanding the public awareness with regard to
9 other issues.

10 Then, like I say, once the anti-litter campaign is
11 up and rolling, we just step up the efforts to publicize the
12 other issues the Board's concerned with.

13 We believe the best vehicle for those issues are
14 editorial board meetings, reporter briefings, radio and
15 television talk show appearances, special feature articles,
16 letters to the editor campaign, news releases and news
17 conferences and the like.

18 EXECUTIVE OFFICER EOWAN: Just to capsule what Mr.
19 McNally is saying is we have some very important information
20 that we think we need to get out to the public and that's
21 primarily that there are 36 million tons of refuse that are
22 disposed of in the state and most of that's going into
23 landfills.

24 How do we best get that message to the public that
25 it's a reliable, safe and environmentally sound way of

1 disposing of that refuse? There's a lot of controversy over
2 landfills, over landfill siting. In the Southern California
3 area we see opposition all the time. We see it in the
4 Northern California area.

5 So, what we're proposing is through this "California
6 Cleanin" concept begin to talk about these issues to a
7 variety of sources -- public service announcements on
8 television and radio, through the print media, television
9 talk shows where we could hopefully utilize as many of you as
10 possible in participating in those television and radio
11 interviews and then initiate this whole thing with a litter
12 theme at first.

13 We feel that's something that the media wants to
14 grab onto. We've had a lot of success with that in the past.
15 But then begin to move towards the more complex media issues
16 like landfilling or waste-to-energy and what have you.

17 But we would kick it off, hopefully, in a news
18 conference or other kind of conference utilizing the Governor
19 to kick off the "California Cleanin" concept and starting
20 with litter and then moving into "California Cleanin" in
21 terms of landfill and waste-to-energy.

22 What Mr. McNally is proposing is a \$40,000 effort
23 that would have one video PSA on litter -- and we have a
24 variety of ideas that we would bring to you -- and then three
25 radio PSAs, a press kit that would have a variety of

1 materials in it for the press to understand what we're trying
2 to say. Through that effort we can then launch over a period
3 of, hopefully, two years this whole "California Cleanin"
4 concept.

5 So, the idea is to kind of repackage and give a
6 fresh look to what we're trying to say and stress the
7 environmental aspects of what we're doing. I think that it
8 will be a successful project.

9 VICE CHAIRMAN MOSCONE: It sounds like a good
10 program, a good project. But "California Cleanin" doesn't
11 sound right to me. Are we talking about cleaning California?
12 "California Cleanin" -- I don't know, just tell me why. It
13 doesn't hit me as being correct or really doing or really
14 saying what we want to do. Am I saying we're cleanin
15 California?

16 EXECUTIVE OFFICER EOWAN: Yeah, exactly.

17 VICE CHAIRMAN MOSCONE: Well, I perceive it as
18 Cleanin California, not "California Cleanin".

19 EXECUTIVE OFFICER EOWAN: Okay.

20 CHAIRMAN ROODZANT: That jingle goes along with a
21 popular song in the 60's called "California Dreamin". I
22 think they will attempt to use that music with their
23 campaign.

24 VICE CHAIRMAN MOSCONE: I don't listen to that kind
25 of music.

1 BOARD MEMBER GALLAGHER: I agree with John Moscone.
2 I quit listening to music in 1938, because I consider current
3 music today monotony in B flat.

4 (Laughter.)

5 CHAIRMAN ROODZANT: Kind of like the cleanin the
6 Giants did to the Dodgers last night.

7 Mr. Gallagher.

8 BOARD MEMBER GALLAGHER: Seriously, I think you have
9 your finger on a couple of very important things. It's long
10 been my contention that if we solve the litter problem, we
11 have only solved part of the garbage problem. But I believe
12 that in the minds of most of the citizens of California and
13 particularly since we've had AB 2020 on the books as a law,
14 they think the whole thing will go away when you get rid of
15 the beverage container.

16 This is not new with me. I've been saying it for 15
17 years. You're still going to have a garbage problem. I,
18 therefore, believe that the great action ought to be on the
19 broader, bigger issue.

20 I have no idea and I don't know if you do from an
21 interagency point of view what the Department of Conservation
22 is going to be spending on anti-litter messages and recycling
23 messages. But I suspect, based upon what I know they'll have
24 in the way of funds, it will be a fairly substantial amount.

25 So, I don't disagree with it being used as the lead.

1 But I think the larger emphasis ought to be on the fact that
2 if you get rid of all the litter along the roadway, you've
3 still got a hell of a garbage problem in California and that
4 we should start right there. Getting rid of the beverage can
5 and bottle isn't going to get the job done. Better focus now
6 on what the real problem is. Again, I just feel that's the
7 real important issue in the long term.

8 MR. McNALLY: We agree with you 100 percent. In
9 fact, what you just said would be the type of statement that
10 could be said on a radio or television talk show, before
11 editorial board meetings that have been scheduled to talk
12 about the litter problem where we go into, hey, we're
13 launching this program to correct this problem; but we want
14 everybody to understand that just because we clean up litter,
15 we've only really dealt with the tip of the iceberg and we
16 still have about 36 million tons of waste to dispose of each
17 year.

18 Like I say, just use the litter thing to get a forum
19 to expand this discussion.

20 EXECUTIVE OFFICER EOWAN: We're just trying to get
21 their attention, get our foot in the door so that we can then
22 get into what's really the important issues as far as what we
23 do.

24 BOARD MEMBER GALLAGHER: I certainly agree that we
25 ought to try it that way.

1 EXECUTIVE OFFICER EOWAN: The other thing that we
2 didn't really touch on and I think is a critical aspect is
3 that even if our initial phase of the litter in the
4 "California Cleanin" thing is 100 percent successful -- and
5 you really never know, because it's like trying to market
6 anything. But we think it has a very good chance of being
7 successful.

8 But we still think that some of the more important
9 issues to our work here -- for example, landfill siting and
10 permitting -- would be a very difficult message to get play
11 on television as a PSA. That is, free air time on TV. So,
12 one of the critical aspects of what you might call the second
13 phase of this effort would be to see if we could get industry
14 support to help with possibly paying for air time for other
15 PSAs.

16 We have some, I think, pretty good ideas about ways
17 to put commercials, if you would, on landfills and the
18 benefits of landfilling just as you see Arco and Chevron and
19 a number of other companies putting these things on the air
20 about the good that their companies are doing. We'd like to
21 do the same thing for Waste Management.

22 But we don't think that we're going to get a lot of
23 free air time. So, what we're going to be looking for is
24 industry participation so that we could co-fund some of these
25 efforts and have them hopefully help pay for some of the air

1 time that we're going to be requiring.

2 BOARD MEMBER GALLAGHER: Don't overlook the fact
3 that many of those companies like the ones you named have
4 foundations that have been set up for public service work and
5 you can go to those foundations oftentimes and get support
6 for a project that you would not get if you went directly to
7 the company. There are a number of them like Mobil Oil,
8 people like that.

9 EXECUTIVE OFFICER EOWAN: And they're very
10 successful campaigns.

11 BOARD MEMBER CALLOWAY: Mr. Chairman.

12 CHAIRMAN ROODZANT: Mr. Calloway.

13 BOARD MEMBER CALLOWAY: Mr. Chairman, I wanted to
14 ask Ray if it is possible to get the media radio and
15 television to do some public announcement spots? I mean,
16 they do a lot of this stuff and it's gratis. Is this
17 possible to appeal to those people, the editorial people of
18 these stations and so forth, to get them to put on some
19 public announcements? I mean, if this isn't serious to the
20 public's interest, I would like somebody to sure explain to
21 me what is public interest. If this isn't necessity, I don't
22 know what is.

23 MR. McNALLY: With regard to litter or the
24 overall --

25 BOARD MEMBER CALLOWAY: Well, the overall picture;

1 but particularly litter, as you said.

2 Ray, I understand what you're trying to do. Litter
3 is on everybody's tongue. But the real problem, as Mr.
4 Gallagher just explained, you're not touching it with the
5 litter. The real problem is that we want to get people
6 educated about the crisis of landfill operations and
7 waste-to-energy crisis and so forth.

8 Now, just to try to get them to understand it,
9 they're not going to do that. But the litter will open a
10 door, hopefully, for that. But if we could appeal to the
11 stations. Obviously, we can't go out and buy air time to do
12 this. But if we could appeal to the stations as their civic
13 interest or so forth, is this possible, Ray, do you think?

14 MR. McNALLY: I think so. Not to air a public
15 service announcement. I don't think those would be the best
16 vehicles for some of the more complex issues anyway. You
17 know, 30 seconds on a radio or television show. But I think
18 we would have very good luck in soliciting interviews with
19 radio and TV stations where we can sit down for 30 minutes or
20 an hour and discuss the issue of waste management in general
21 and talk about the broad picture.

22 So, I think we could generate a lot of interest and,
23 subsequently, a lot of air time. Because it's a legitimate
24 issue.

25 BOARD MEMBER CALLOWAY: Thank you.

1 CHAIRMAN ROODZANT: Any other comments or questions?

2 BOARD MEMBER BEAUTROW: If we use this song that
3 you're suggesting -- I know they've done it in other cases --
4 do you have to have some kind of special release because of
5 copyright problems?

6 MR. McNALLY: Yes.

7 BOARD MEMBER BEAUTROW: I hate to have you build up
8 your whole theme on something that maybe could never
9 materialize. Have you checked this out?

10 MR. McNALLY: I talked to somebody initially who
11 said he was confident we could get the rights to the song,
12 especially since it's a public service.

13 EXECUTIVE OFFICER EOWAN: Exactly. When it's for
14 public service use, there's not really much of a problem.

15 BOARD MEMBER BEAUTROW: It would be really crucial
16 if you're building a theme up and then find out you can't use
17 that.

18 MR. McNALLY: I woke up thinking about that one
19 evening. But we're confident we can get it.

20 BOARD MEMBER ARAKALIAN: Tie it in with the Miller
21 Beer Commercials. They do a good job.

22 CHAIRMAN ROODZANT: Mr. Moscone.

23 VICE CHAIRMAN MOSCONE: Are we going to get all of
24 these tee-shirts? Do we have to declare it in our economic
25 interest?

1 (Laughter.)

2 MR. McNALLY: That's why we're selling them.

3 CHAIRMAN ROODZANT: I just want to congratulate you
4 again for getting the first one in the Chairman's size.

5 MR. McNALLY: We have other tee-shirts.

6 CHAIRMAN ROODZANT: Are there any other comments or
7 questions?

8 Chair will entertain a motion to approve the staff's
9 request.

10 BOARD MEMBER GALLAGHER: So move.

11 VICE CHAIRMAN MOSCONE: Second.

12 CHAIRMAN ROODZANT: So moved and seconded to adopt
13 the staff's recommendation to approve the Public Awareness
14 Program and agreement with Ray McNally & Associates. Is
15 there any further discussion?

16 All in favor say aye.

17 (Ayes.)

18 CHAIRMAN ROODZANT: Opposed?

19 Carried and so ordered.

20 MR. McNALLY: Thank you, Mr. Chairman.

21 CHAIRMAN ROODZANT: Thank you, Mr. McNally.

22 Item 2, Consideration of the Determination of
23 Conformance and Concurrence with the Revised Solid Waste
24 Facilities Permit for the Chiquita Canyon Landfill, Los
25 Angeles County.

1 BOARD MEMBER BEAUTROW: Mr. Chairman, I'd like the
2 record to show that I will not participate in this discussion
3 or action.

4 CHAIRMAN ROODZANT: The record will so indicate.

5 BOARD MEMBER STEVENS: Mr. Chairman.

6 CHAIRMAN ROODZANT: Mr. Stevens.

7 BOARD MEMBER STEVENS: I'm afraid I have to make the
8 same comment that I will not participate in the vote.

9 CHAIRMAN ROODZANT: The record will so indicate.

10 VICE CHAIRMAN MOSCONE: Do we have a quorum?

11 CHAIRMAN ROODZANT: Yes, there's a quorum present.

12 BOARD MEMBER ARAKALIAN: I don't think that a lack
13 of quorum on the voting quorum makes a difference if you have
14 a quorum in the house, does it, on a vote?

15 CHAIRMAN ROODZANT: Robert's Rules of Order
16 stipulate that a majority of those present voting in order to
17 pass a resolution. There is a quorum present at this meeting
18 at this time.

19 MR. IWAHIRO: I'm ready to begin on the item.

20 CHAIRMAN ROODZANT: Mr. Iwahiro.

21 MR. IWAHIRO: This is a consideration of the
22 Determination of Conformance and the Concurrence with the
23 Revised Solid Waste Facilities Permit for Chiquita Canyon in
24 Los Angeles County. The basic action here is that permitted
25 capacity is to be raised from 1,600 tons per day to 5,000

1 tons per day. There is some later action to be taken later
2 in the year. They're preparing to expand the facilities in
3 aerial extent. But that is not part of the action today.

4 This is an interim action to raise the amount of
5 waste they can take in on a daily basis. This will be taken
6 in on a seven-day basis and even at night times and the
7 permits will reflect that. As I said, this is a two-action
8 item basically and you've done this before in terms of
9 conformance and concurrence.

10 Mr. John Smith of the Planning Unit and Don Dier of
11 our Permits Section will be making the presentations
12 regarding those two actions.

13 MR. SMITH: Board Chairman and members, my name is
14 John Smith. I'm with the Local Planning Division. I will be
15 talking on the environmental document that was prepared for
16 this project and the first Board action on the project, the
17 Determination of Conformance with the Los Angeles County
18 Solid Waste Management Plan for this project.

19 Don Dier of the Permitting Section will be
20 discussing the second Board action on this project. That's
21 Concurrence in the Solid Waste Facilities Permit. Don will
22 also be presenting the joint recommendations for this item.

23 Turning to the environmental document. In 1982 an
24 environmental impact report was done for the landfill
25 expansion of Chiquita Canyon. In 1984 the mitigation

1 measures that were developed for that project were
2 incorporated into the Solid Waste Facilities Permit.

3 Since that Board action in 1984 the proponent has
4 requested that the rate of fill be increased from 1,600 tons
5 a day to 5,000 tons per day. The subject of the subsequent
6 environmental document, the one we're considering today, is
7 for the potential impacts associated with that increased rate
8 of fill.

9 The County of Los Angeles did evaluate the potential
10 impacts associated with that increased rate in fill. They
11 found that the potential impacts of that increased rate in
12 fill would be reduced to a level of insignificance.

13 As required by CEQA, they prepared a negative
14 declaration for that project. The Board has carefully
15 reviewed the negative declaration that was prepared for that
16 project. Since the EIR previously covered the impacts
17 associated with the landfill project and the negative
18 declaration has reviewed the potential impacts of the
19 increased rates in fill, the staff has found that the
20 negative declaration is appropriate for the two Board actions
21 before you.

22 Could I have the slides, please.

23 --oOo--

24 Now I'd like to turn to the first Board action on
25 this project, the Determination of Conformance.

1 The proponent, in accordance with the procedures for
2 obtaining a Local Finding of Conformance, filed a notice of
3 intent with the Los Angeles Solid Waste Management Committee.
4 The Los Angeles Solid Waste Management Committee also issued
5 a Local Finding of Conformance for this project.

6 Staff has reviewed the project conformance based on
7 the four criteria there identified on the slide -- its
8 consistency with state policy, its consistency to the goals
9 and objectives of the plan, its consistency with the
10 facilities element, and consistency with local planning
11 requirements. Staff has found that the project is consistent
12 with the four criteria and has concluded that the facility is
13 in conformance with the Los Angeles County Solid Waste
14 Management Plan.

15 Now, if there are no questions, I would like to turn
16 the discussion over to Don Dier and he will talk about the
17 second Board action on this project.

18 VICE CHAIRMAN MOSCONE: Mr. Chairman.

19 CHAIRMAN ROODZANT: Mr. Moscone.

20 VICE CHAIRMAN MOSCONE: I don't know if it's in the
21 packet, but I don't recall. What is the reason for this
22 large increase in tonnage? Where is this coming from? Is it
23 because of one of the other sites closing down or what's the
24 background?

25 MR. SMITH: The waste is coming from the transfer

1 stations that are located in the south bay area of Los
2 Angeles County. That would be south of the City of Los
3 Angeles. The increase is resulting from the closures that
4 have been going on for some time down there.

5 BOARD MEMBER ARAKALIAN: I can comment on that,
6 John, a little bit. They're going to be able to work nights
7 if they have this tonnage and take transfer trailers in from
8 the transfer stations, which is going to be a pretty
9 important thing. So, it would be nice to have that.

10 VICE CHAIRMAN MOSCONE: Personally, I have no
11 objection. But I figured this was the reason, but I couldn't
12 recall where it was going to be coming from.

13 CHAIRMAN ROODZANT: Mr. Arakalian.

14 BOARD MEMBER ARAKALIAN: As far as I see, since the
15 request is in compliance and conformance with the CoSWMP
16 thing and I don't see any great objections to it and it will
17 be a big help to transfer stations operating, I'd like to
18 just make a motion that we -- where is it, the number. Move
19 87-17.

20 CHAIRMAN ROODZANT: Mr. Arakalian, before you make a
21 motion. I have a request from the public from a
22 representative of the organization who wishes to speak. We
23 should hear from him.

24 BOARD MEMBER ARAKALIAN: I didn't know anybody
25 wanted to speak.

1 CHAIRMAN ROODZANT: Is there any other staff input
2 on this before I offer Mr. Bob McCafferty?

3 MR. DIER: If you want it --

4 CHAIRMAN ROODZANT: Mr. Dier.

5 MR. DIER: I would briefly like to go over the
6 permit aspects. Staff has no problem with the permit.

7 Mr. McCafferty is the regional engineer with Laidlaw
8 Waste Systems Incorporated. I would like to point out that
9 the application was filed under the name of GSX. Perhaps Mr.
10 McCafferty can explain the transition the company is going
11 through right now with Laidlaw.

12 Mr. McCafferty.

13 --oOo--

14 MR. McCAFFERTY: Mr. Chairman, members of the Board,
15 my name is Bob McCafferty. I'm regional engineer for Laidlaw
16 Waste Systems.

17 Basically, we started the permit process under GSX,
18 or Genstar Services Corporation, and in that period of time
19 Laidlaw had acquired Genstar and the landfill. So,
20 therefore, now we're kind of referring to ourselves as
21 Laidlaw/GSX in most of our names; in which case GSX will be
22 slowly but surely not used.

23 I'd like to take a few moments of your time just to
24 kind of familiarize you with this site. It's in the northern
25 portion of Los Angeles County.

1 --oOo--

2 It's right along Highway 126 to Ventura. The aerial
3 view shows the I-5/126 intersection up there at Castaic.
4 It's about three miles up in the top center part of your
5 screen. Right in this area. It's about two and a half or
6 three miles down to the entrance of the facility here and you
7 can see our active landfill here, the adjacent canyon that's
8 being prepared. The current area that's permitted is this
9 canyon here and this canyon here.

10 As was mentioned, we'll be coming in later on in the
11 year to go for further expansion; which is basically a larger
12 canyon here and a larger canyon down through the center here.

13 --oOo--

14 Basically, what we tried to achieve here was the
15 fact that to mitigate the major problem we see, which would
16 be increase in traffic, is we are going to expand the
17 entrance area. You can see here we've started construction
18 on it under a Caltrans encroachment permit. The new entrance
19 will extend basically to the cones you see along there clear
20 to our sign on the other side.

21 --oOo--

22 Basically, you can see here the entrance to the
23 facility as you see it now. It's limited to the narrow
24 access here between the trees. This will be widened out to
25 accommodate the trucks coming in there at a greater speed to

1 get them off the highway. The scale, as you see, is located
2 far enough back to allow us to queue the trucks clear of the
3 highway.

4 --oOo--

5 The scale facilities are in now and are in the
6 process of being computerized to accommodate the more readily
7 method of accounting for the trucks and the type of waste.

8 --oOo--

9 The office is located off to one side. We tried to
10 use as many of the existing trees as we could to keep the
11 site looking as it was in the beginning. The office here
12 accommodates a fulltime person in there that's on board 24
13 hours a day as site manager and provides also living quarters
14 for a person to stay there.

15 --oOo--

16 The front face of the site, as you see it here, is
17 about the only area of the site that will be visible to the
18 general public using Highway 126.

19 --oOo--

20 As you can see, it's barely visible from the
21 roadway. The site actually is natural screening all along
22 its total length. The landfill operation is behind this
23 ridge of hills. So, therefore, out of sight, out of mind, so
24 to speak.

25 --oOo--

1 Basically, this again is another shot from looking
2 away from I-5 towards the landfill.

3 --oOo--

4 The trucks are departing the landfill. As you can
5 see, there is no residences or any facilities to the south.

6 --oOo--

7 As a truck enters out into the highway, looking to
8 the east he has good visibility of the roadway for oncoming
9 traffic.

10 --oOo--

11 The same thing applies looking to the west. So,
12 it's really suitable for large amounts of traffic.

13 Basically, the site is being well-screened, has good
14 location and since there is a need for the community to
15 accept the waste, I would request that the Board look
16 favorably upon our request. Thank you.

17 CHAIRMAN ROODZANT: Mr. Stevens.

18 BOARD MEMBER STEVENS: I have a question.

19 You indicated the new entrance is being built under
20 a Caltrans encroachment permit. That generally indicates
21 that they're planning something there. I've heard various
22 times that they're talking about widening the road, et
23 cetera, destroying the entrance to the landfill. What is the
24 situation?

25 MR. McCAFFERTY: Well, the situation there -- I

1 don't know the exact status of widening the road. However,
2 each time you enter into a state right-of-way, you have to be
3 in conformance with their plans and specifications as to
4 roadway sections, radius for curbs, et cetera. By going
5 through them, we were to set everything up according to their
6 rules and regulations and will be under their inspection
7 procedure.

8 As a part of that procedure, we did relocate
9 drainage structures to accommodate the flows. But that was a
10 necessary action. In other words, to work in their
11 right-of-way we had to get the encroachment permit.

12 BOARD MEMBER STEVENS: Would you say that that was
13 an exceptionally well-located site?

14 MR. McCAFFERTY: I think so, yes.

15 BOARD MEMBER STEVENS: I happen to be president of
16 the company that originally sited that facility.

17 (Laughter.)

18 CHAIRMAN ROODZANT: Mr. Gallagher.

19 BOARD MEMBER GALLAGHER: I just wanted to ask you a
20 couple questions not having anything to do with the technical
21 aspects of this. But did say this was off of I-126?

22 MR. McCAFFERTY: Yes, the Ventura Highway.

23 BOARD MEMBER GALLAGHER: Heading over to Ventura
24 from Castaic.

25 The other question is if the Board grants your

1 request, are we the last agency you have to get involved
2 with?

3 MR. McCAFFERTY: Yes, sir.

4 BOARD MEMBER GALLAGHER: That is not technically
5 considered part of this Santa Monica Mountains Conservatory?

6 MR. McCAFFERTY: No.

7 CHAIRMAN ROODZANT: Any further questions or
8 comments?

9 Mr. Arakalian, a motion being in order.

10 BOARD MEMBER ARAKALIAN: Should I reiterate?

11 CHAIRMAN ROODZANT: Please.

12 BOARD MEMBER ARAKALIAN: I'd like to make a motion
13 that Solid Waste Facility Determination of Conformance 87-5
14 and Solid Waste Facilities Permit Decision 87-16 be adopted.

15 BOARD MEMBER GALLAGHER: Second.

16 CHAIRMAN ROODZANT: It's been moved and seconded to
17 adopt Solid Waste Facility Determination of Conformance 87-5
18 and Solid Waste Facilities Permit Decision 87-16. Any
19 further discussion?

20 All those in favor say aye.

21 (Ayes.)

22 CHAIRMAN ROODZANT: Noes.

23 BOARD MEMBER STEVENS: Abstain.

24 BOARD MEMBER BEAUTROW: Abstain.

25 CHAIRMAN ROODZANT: Carried and so ordered. . . .

1 MR. MCCAFFERTY: Thank you.

2 CHAIRMAN ROODZANT: Item No. 3, Report on the Status
3 of Compliance of Santa Clara/Coastal Landfill, Ventura
4 County.

5 MR. IWAHIRO: Mr. Chairman, as you recall, the last
6 Board meeting we had a number of sites that were before you
7 in terms of Presley inspections and possibly listing on the
8 Non-Complying Facilities List.

9 One of the items that was brought before you was the
10 Santa Clara/Coastal Landfill. We have at your direction
11 written them a letter telling them of the actions that were
12 necessary for them to do in order that they would not be
13 listed on the non-complying list. A copy of that letter is
14 on pages 37, 38 and 39. Actually, if yours is like mine, you
15 probably have another duplicate copy on 40 through 42.

16 One of the things that the Board requested was that
17 we get monthly progress reports from the operator on how
18 they're doing in terms of complying. As of today, we do have
19 John Conaway, who is the Solid Waste Manager from the Ventura
20 Regional Sanitation District, which is the operator. We,
21 staff, Mr. Conaway and his group and the LEA did meet. I
22 think it was around the 8th of the month. I think he'll be
23 reporting on that meeting, as well as some other progress
24 that he has made.

25 MR. CONAWAY: Good morning, Mr. Chairman and

1 gentlemen of the Board. I'm John Conaway, Solid Waste
2 Manager for the Ventura Regional Sanitation District.

3 I'd like to say that I'm happy to report a positive
4 status report this morning. We have submitted to your staff
5 a draft compliance schedule which they're now reviewing and a
6 first status report for consideration of progress.

7 What I would like to do is briefly go down the six
8 items that were listed on the Presley. First one is on
9 permitting, 17616. We have met with the City of Oxnard,
10 Ventura Environmental Health and the California Waste
11 Management Board and have identified the tasks that will have
12 to be accomplished to issue the new permits and to split the
13 permits for the existing facilities. That is a very complex
14 issue and one which the schedule that we have submitted to
15 your staff and eventually I'm sure you'll get a chance to
16 review it. It points out the intricacies involved with that.

17 Next item is 17682 on cover, both from a daily and
18 an intermediate cover problem. The daily cover I'm very
19 happy to report has been completed. We are working very
20 closely with our LEAs to ensure that they agree with us on
21 that opinion. The intermediate cover is being corrected
22 right now and should be corrected long before the 90-day
23 Presley limits are up.

24 On 17704, leachate control. This was an item that
25 concerned questionable surface water flows from the

1 closed-out portion of the landfill or the existing golf
2 course. The requirement there was to do some testing and
3 submit that to the Regional Water Quality Control Board. All
4 of that work has been completed and has been submitted to the
5 Water Quality Control Board. They are now reviewing the
6 comments.

7 Our personal opinion is it's not leachate, but
8 constituents from the fertilizer off of the golf course
9 itself. But that's undergoing scrutiny right now.

10 On 17705, gas control. That's broken basically into
11 three separate parts. One is for the Santa Clara site, which
12 is actually the golf course portion that was closed out; one
13 is for the Coastal; and then something to do with the
14 irrigation monitoring on the golf course portion.

15 On the golf course portion the probes have been
16 installed between the old landfill and the Radisson Hotel and
17 they are scheduled for the first gas monitoring this coming
18 Friday.

19 The Coastal Landfill, which is the active portion of
20 the landfill right now, had the monitors installed and we
21 have been monitoring now -- the second set of figures have
22 been developed and submitted to the LEA and to the California
23 Waste Management Board.

24 The aerometers, which are devices in the golf course
25 to monitor and make sure excessive water is not being applied

1 to the cover, are scheduled for testing and maintenance and
2 will be completed this month.

3 17710, on grading. Two portions on this, also.
4 Partially from the Santa Clara on the golf course portion and
5 from the Coastal portion.

6 The golf course portion, the work schedule is being
7 developed right now and by the time I give this report next
8 month a work schedule will have been developed and submitted
9 and probably part of the work undertaken to correct the
10 differential settlement problems on the golf course.

11 The Coastal site is currently being corrected. All
12 the drainage will be corrected on that by the end of next
13 month. The majority of the significant problems have been
14 corrected already. The minor ones we're working on at this
15 point.

16 The final item to take action on is Item 17626
17 (sic), which is public health. It had to do with the status
18 of the levee in front of the closed-out portion of Santa
19 Clara Landfill. We have received certification from the
20 Flood Control that that levee does meet 100-year flood
21 standards and that it's under their jurisdiction and their
22 repair and maintenance and we feel that item has been taken
23 care of. That information has been transmitted to the
24 Regional Water Quality Control Board and they are presently
25 reviewing that information.

1 One thing I would like to point out, gentlemen, is
2 that during this last month we have received extreme
3 cooperation from members of your own staff and from our LEA
4 and from the Regional Water Quality Control Board. I
5 personally feel this item will be a bad memory in three
6 months for us all and one which I hope I'll never have to be
7 in front of you to talk about again. Thank you.

8 BOARD MEMBER ARAKALIAN: Thank you.

9 VICE CHAIRMAN MOSCONE: Thank you very much. You
10 have been busy.

11 Are there any additional questions?

12 Thank you.

13 MR. HAUGE: I had a public comment. I don't know if
14 the Chairman stepped out.

15 VICE CHAIRMAN MOSCONE: Yes. Would you give your
16 name, sir.

17 MR. HAUGE: I'm Richard Hauge, representing the
18 Local Enforcement Agency.

19 I'm here just to reiterate that we have had great
20 cooperation from your staff and the Board staff and the
21 members of the Regional Sanitation District and the City of
22 Oxnard in resolving all these problems at the facility.

23 We understand that the time schedule for compliance
24 is being presented to us this week. I have not seen it yet
25 at the office, but Mr. Conaway says that it is being

1 submitted this week for our review.

2 With respect to the inspection of the site; we have
3 continued routine inspections at the Santa Clara portion,
4 which is now the golf course. We're doing monthly
5 inspections at that site, that portion of the facility.

6 At the Coastal portion, which is now the active
7 portion, we're conducting bi-monthly inspections and the
8 results of the inspections do indicate that operational
9 efforts are being undertaken such that correction of the
10 violations will be taken care of and the sites are looking
11 very good.

12 If there are any questions, I'd be happy to try and
13 answer them.

14 VICE CHAIRMAN MOSCONE: Thank you very much.

15 MR. HAUGE: Thank you.

16 BOARD MEMBER BEAUTROW: Mr. Chairman, I notice that
17 we've got a letter here from the City of Oxnard.

18 VICE CHAIRMAN MOSCONE: Yes.

19 BOARD MEMBER BEAUTROW: I don't know. I guess it
20 should be put into the file to see if it's ever appropriate.
21 It's an invitation to look at this. I guess it should be
22 reviewed.

23 MR. IWAHIRO: We can review this. We will follow-up
24 on that. It's an invitation to have a meeting there and
25 visit their site, yes.

1 BOARD MEMBER GALLAGHER: It sounds like pretty good
2 duty to me with Mr. Conaway, the LEA and Mr. Hauge inspecting
3 the golf course. How long does it take you guys to play 18
4 holes there?

5 (Laughter.)

6 MR. CONAWAY: Sir, I'm sorry to say that I'm not a
7 golfer. It would take me three or four days to get around
8 the course.

9 BOARD MEMBER ARAKALIAN: I think that certain
10 members of this Board should play that course a few times to
11 see if the land lies well, if it's moving.

12 MR. CONAWAY: Mr. Tim Nauson from the City of Oxnard
13 wanted to stress that it would be very important that the
14 Board probably play that course to make sure that it was
15 correct and that the settlement problems have been taken care
16 of.

17 BOARD MEMBER BEAUTROW: Is this in conjunction with
18 the Raiders' training camp, also?

19 (Laughter.)

20 MR. CONHEIM: Scheduling is your staff problem.

21 MR. HAUGE: With respect to the LEA; due to a
22 conflict of interest, we do not play golf on that course.

23 MR. IWAHIRO: Mr. Chairman, if I may, since we're
24 giving out the fact that there's a lot of cooperation going
25 on, I'd just like to point out that our staff member is

1 Bob Burrell. He's been working with these folks and he's
2 also said that they've had good cooperation from the operator
3 and the LEA.

4 CHAIRMAN ROODZANT: Is it a good golf course, Mr.
5 Burrell?

6 MR. BURRELL: Yes, it is.

7 CHAIRMAN ROODZANT: I'm sorry I stepped out for a
8 few minutes. Did Mr. Hauge get a chance to speak, also?

9 MR. IWAHIRO: Yes.

10 CHAIRMAN ROODZANT: I also invite your attention to
11 a letter we received yesterday from the City of Oxnard that's
12 in your packet requesting our Board's consideration of
13 visiting the site and also possibly holding a meeting there.

14 Any further discussion on the matter of the Santa
15 Clara/Coastal Landfill in Ventura County?

16 Hearing none -- Mr. Moscone.

17 VICE CHAIRMAN MOSCONE: Good progress.

18 CHAIRMAN ROODZANT: Item No. 4, semi-annual report
19 and consideration of revising the scope of work for the
20 contract with the Stanford Research Institute for the
21 characterization of household wastes and recyclables in the
22 municipal waste stream.

23 MR. IWAHIRO: Mr. Chairman, as the item indicates,
24 back in 1986, June, we awarded a \$150,000 contract to SRI for
25 estimating the types and amounts of hazardous waste materials

1 and recyclable materials that are contained in the household
2 solid waste stream. In that contract we had a requirement
3 for a semi-annual report. Our contract manager, Sue O'Leary,
4 is here to report on that plus along with the SRI contract
5 project manager, Dr. David Bomberger.

6 So, I'll turn it over to Sue, who will get you up to
7 date, and then I think it will be a joint presentation here.

8 MS. O'LEARY: Mr. Chairman, members of the Board.
9 Basically, what I'm going to do is just go over what SRI has
10 completed to date and then let Dr. Bomberger answer any
11 specific questions you may have and outline what changes
12 they'd like to make to the scope of work in the contract.

13 Basically, SRI's conducted two pilot studies. One
14 was in October of '86 and one was in November of '86.

15 --oOo--

16 They've completed the semi-annual report, which was
17 submitted about a month ago. Along with the semi-annual
18 report and as a result of the pilot study, they've requested
19 a couple changes.

20 One is to the recyclable materials section of the
21 study, which they were supposed to do a complete recycling
22 study utilizing the categories that are on the slide there.
23 The ones that are existing in the contract are all marked
24 with an X and represent pretty much standard recycling type
25 categories that we have conducted studies on in the past.

1 In the proposal that SRI is bringing before us today
2 they have asked to reduce the recycling portion of the study
3 to the following items: Glass --

4 --oOo--

5 -- non ferrous metals. I've added PET containers.

6 --oOo--

7 We have glass, ferrous metals, non-ferrous metals,
8 and I've added PET containers.

9 As far as the hazardous portion of the study,
10 they've asked to reduce the sampling from Northern California
11 and Southern California to just one site in Northern
12 California in order to be able to maximize the number of
13 samples that can be collected and to cut down on their costs.

14 They've also consolidated some of the groupings of
15 hazardous categories. Ones that they're proposing to look at
16 are adhesives, batteries, pesticides, preservatives,
17 sealants, solvents, paint cleaners, automotive products and
18 polishes. That's it for the categories.

19 They'd also like to reduce the study to a
20 spring/summer and one winter sampling. They will increase
21 the amount of self-haul load samples that will be looked at
22 and they will monitor the results of a County of San Mateo
23 household hazardous waste collection day to try and itemize
24 how much material is being diverted away from the regular
25 solid waste stream.

1 So, I'd like at this point in time to turn the
2 microphone over to Dr. Bomberger, who can give you a little
3 more detail of what the pilot results showed and where
4 they're planning on going in the next couple of months in the
5 study.

6 DR. BOMBERGER: Good morning. I'd just like to
7 observe you had checked off waste oil. I've left waste oil
8 on.

9 MS. O'LEARY: Oil is in there. It's in parentheses.

10 DR. BOMBERGER: I can talk at some length about the
11 findings of the pilot studies, if you'd like, or just answer
12 specific questions. However you choose to do it.

13 CHAIRMAN ROODZANT: I think the Board has an extreme
14 amount of interest, Dr. Bomberger, and we're glad you've been
15 able to join us today. Why don't you please give us the
16 highlights of your efforts to this point.

17 DR. BOMBERGER: As you recall, when I had written my
18 original response to you, I had expressed some concern that
19 there was an awful lot of information that you wanted and
20 that there were probably not enough resources for it. That's
21 why I'm here actually asking for a scope change.

22 I'd like to talk a little bit about the recyclables
23 and then talk a little bit about the hazardous waste.
24 Because I was concerned about the resource base that you
25 have -- namely, the amount of manhours -- I had started out

1 by doing some literature research to find existing data on
2 recyclables and have tried to find some literature base data
3 on the socioeconomic variables that you had asked questions
4 about. There was some concern about north versus south in
5 California, rich versus poor neighborhoods, multi-family
6 versus single-family housing. I was concerned that there may
7 be some data out there that we could use without having to
8 fish for new. Then I collected some data from both of those
9 sources and I have some sampling data that I have put in the
10 report that I gave to you.

11 Basically, what it says is that the data in
12 California shows that our waste composition is pretty much
13 the same as it is from a national point of view. There are
14 subtle differences, but not significant.

15 The literature data on socioeconomic, which was not
16 in your report because I just got it last week, suggests that
17 there may be some subtle differences in the composition of
18 refuse from various kinds of households; but it is going to
19 be very difficult for us to see those differences. I have a
20 handout which I will give you when I'm finished that you can
21 see what the results are. They've been studying that in
22 Arizona for the last ten years picking through an awful lot
23 of refuse.

24 The data suggested that you can't tell wealthy
25 versus not-so-wealthy households in terms of newspaper, food

1 wastes and yard wastes at any significant level. There may
2 be some differences in glass and containers that are
3 observable, but they're not the kind that the statistician
4 would really get excited about.

5 One of the things that does occur, however, is that
6 the statistics on sampling is awful. The sample results are
7 highly variable. We came to the conclusion based on what we
8 saw and what people have said in the literature that in order
9 to determine if there are differences that are significant
10 between multi-family versus single-family and rich versus
11 poor, that we would be looking at somewhere between 240 and
12 480 samples just to get statistically significant
13 differences.

14 Then we might not even see them then. Because that
15 was based on showing things like was there a two or three
16 percent difference that you would believe in the amount of
17 newspaper that was collected between households. I'm not
18 sure there is that kind of a difference that we could see.

19 But the reason I asked for a scope was we do not
20 have enough resources for me to do between 240 or 200 and
21 some or 400 samples. Basically if I did nothing else but do
22 the recyclable portion, my feeling is, based on the resources
23 and the reporting requirements, that I could do maybe 120
24 samples and that that is just not enough; which is why I
25 asked for the reduction in scope.

1 BOARD MEMBER ARAKALIAN: Mr. Chairman.

2 I'm sorry, I thought you were done.

3 DR. BOMBERGER: In terms of the hazardous
4 materials -- and then I'll answer anything you want --
5 there's not nearly the same kind of a literature base for
6 hazardous material. We found about three studies. There's
7 one more that we're looking for that should be out shortly
8 being sponsored by the EPA and being conducted by the folks
9 in Arizona, a fair amount of thought on what kinds of things
10 should be considered hazardous.

11 I went through that literature. I used our pilot
12 sampling results and I did some bounding estimates, which
13 I'll talk about briefly, to limit the scope of what I thought
14 we should be looking for in the future.

15 I eliminated a number of the materials that we had
16 in the original list in part based on the fact that many of
17 them are not really seriously toxic or persistent. Also,
18 many of them are not present in large amounts. For example,
19 the pharmaceuticals at best would be present in very small
20 amounts. Far less significant than some of the solid
21 materials.

22 Based on these kinds of considerations, I came up
23 with what I thought were about eight materials that we should
24 be looking at as representing the long-term hazards that are
25 present in refuse. Non-chlorinated hydrocarbons -- benzene

1 toluene, those kinds of solvents. Chlorinated hydrocarbons.
2 Here you're looking at your standard suite of dry cleaning
3 fluids, propellants in aerosol cans. Other hydrocarbons or
4 other organics. These are mostly your aldehydes, ketones and
5 solvents. Pesticides include all the herbicides,
6 rodenticides, bug killers and everything that's generally
7 quite toxic. Pigment's in. I left that because I think
8 pigments are a problem because of the heavy metal content.
9 Adhesives and sealants I've left in, because there are a
10 significant amount of material that show up. In terms of
11 material that's reported, I may recommend that we actually do
12 not report adhesives and sealants, but instead report them as
13 solvent components and other organic components. Waste oil
14 and batteries.

15 I think those are going to get the major amounts of
16 material that show up in the refuse. I've also picked out
17 about nine product groups that I think these materials show
18 up in and what I have proposed that we do is to look for
19 those products.

20 For each of those products and product groups I have
21 developed or will develop a recipe for them which basically
22 reflects how much of that particular material is chlorinated
23 hydrocarbons, how much is other organics, how much is
24 pigment. So, we can take the residue that we find in the
25 refuse, convert it to the hazardous material categories that

1 I'm proposing by using the recipe and then report the final
2 composition of the refuse.

3 I went through that exercise with the pilot
4 samplings. The data is in the semi-annual report. What we
5 found is that solvent levels run 50 to 100 parts per million,
6 but are highly variable. Some I found none, some I found
7 200. Didn't find any waste oil, didn't find paint. I want
8 to talk about that just briefly.

9 Then I compared those kinds of results to what I
10 call a bounding estimate, where we basically looked at the
11 kinds of things that people buy at the grocery store, made
12 some assumptions about their disposal behavior, used the
13 generic recipe for those materials and made a projection as
14 to what would be in the hazardous waste -- or in the refuse
15 leaving California homes.

16 I came to the conclusion that the significant
17 materials would be waste oil and batteries, some solvents.
18 The data suggested that we were not going to see some of the
19 more significant materials if we looked only in the refuse
20 leaving households. That is, we had to look -- I'm sorry.
21 We were not going to see some of the significant materials if
22 we looked only at the material that was picked up at the
23 doorstep, that I had to look at a large number of the
24 self-haul loads in order to see some of the significant loads
25 of paint, solvent, pigment and what have you that comes into

1 the refuse.

2 The literature data suggests that 60 to 70 percent
3 of some of the more interesting material comes in in the
4 self-haul loads. This is actually confirmed by our pilot
5 sampling. Because, as I mentioned before, we couldn't see
6 very much in terms of pigment and solvents.

7 Our results have suggested that in terms of just
8 sampling statistics, that the results are highly variable
9 even in the two yard samples that we were looking at; which
10 was 600 pounds of refuse. We would often see -- in all of
11 them we found batteries. In some one or the other of the
12 components that we were looking at was missing. Gives me
13 highly variable results.

14 What I tried to draw out for you in the semi-annual
15 report was that in order to get decent estimates of the
16 non-chlorinated hydrocarbons content of refuse, for example,
17 or some of the others, that we might need as many as 100
18 different samples per condition. That is to say if I were
19 looking at a wealthy Southern California community
20 single-family route, that I would need 100 samples to
21 characterize that in a believable manner. If I wanted to
22 look at that same community and look at multi-family housing
23 tracts or housing routes, I would need another 100 samples in
24 order to categorize that adequately.

25 The number adds up very quickly, which is why I was

1 suggesting that we will not be able to see the socioeconomic
2 impacts of, for one, hazardous components in the refuse.

11 3 So, the reason I suggested that we just go just to a
4 Northern California site is I think that gives me the ability
5 to do about 72 decent-sized samples; which gives me, let's
6 say, a fairly precise estimate of what the hazardous
7 components in metropolitan California refuse might be. If I
8 spread out my efforts between north and south, I'm going to
9 be able to take fewer samples simply because I get involved
10 in transporting both people and materials. Even if I do
11 that, the statistics suggest that I'm not going to be able to
12 distinguish the two from each other. So, I have lost data
13 and have gained no real information.

14 BOARD MEMBER ARAKALIAN: Mr. Chairman.

15 CHAIRMAN ROODZANT: Mr. Arakalian.

16 BOARD MEMBER ARAKALIAN: I'd like to pose a few
17 questions to you. Firstly, I'm in utter shock. I come not
18 from a bureaucratic line; but primarily from a work area,
19 private enterprise. I've always been under the impression
20 that as a professional, my company or companies with whom I
21 do business normally bid on jobs and as professionals have
22 some idea what the job is going to entail and either say,
23 yes, we'll bid on it at that price; or, no, we don't think we
24 can do it for that price.

25 But, if I recall, when we were giving this bid-out,

1 we asked for all of this criteria and the scope of work to be
2 as it originally was and we specified the amount of money
3 expended. Your company along with other companies in very
4 lengthy form told us why you should be the one to get this
5 job; why you were competent; why with your past experience
6 and, if I recall right, scads of background of why you felt
7 you were competent enough to do this because of this
8 background, et cetera, et cetera.

9 Now you take on the job and you find that it's going
10 to cost more money to do it in the manner that we've
11 requested it and that it be cut back and be done in a
12 different manner.

13 If we were to deny you this request, am I to assume
14 you would just continue doing it in the proper manner and
15 lose money? Or would you just do an incompetent job, as you
16 just said -- not calling it incompetent but give us results
17 that were not worthwhile? Which to me would be an
18 incompetent job.

19 What are we supposed to assume? Let you off the
20 hook with your contract or try to hold you to it and get
21 nothing for it in a sense?

22 What you're trying to tell us now is you didn't do
23 this as a professional, you did this as an amateur and you
24 had a learning period. You did the first half of the
25 contract to learn what it took and then found out it wasn't

1 enough money and you don't think you can do it.

2 Well, this is what you should have determined before
3 you took on the contract. You should have been able -- you
4 know, most of the things you say now that you found out I
5 would assume you should have known. You're saying now with
6 the multiple sites and with the amount of testing it would
7 take, you can't find out sufficient things. Well, gee, you
8 should have known that before you did it.

9 I've seen people go busted honoring contracts that
10 they signed; let alone saying, gee, now that I've started it,
11 it seems like I can't do it for that much money and so what
12 we'll do is we'll just cut the work down into half and then
13 we can do it.

14 That just doesn't make any sense to me. I don't
15 know how our Board would react to that and I don't know how
16 the outcome of this will be. But, frankly, I'm in shock that
17 a company would do that and I'd like to hear some comment on
18 that.

19 DR. BOMBERGER: I guess there are a couple comments
20 I would make. First of all, in that lengthy proposal I tried
21 very hard to to indicate in a number of places that I felt
22 there were difficulties in performing all of the work that
23 you wanted. I expressed early on my concern.

24 BOARD MEMBER ARAKALIAN: Early on prior to the
25 contract or after?

1 DR. BOMBERGER: In my proposal to you I said to you
2 I was concerned that you do not have enough resources to do
3 this. That is specifically why instead of taking all of the
4 \$150,000, I said I think we need to look at this in two
5 bites. I took a small bite, \$50,000 bite, simply because I
6 wanted to find out whether my suspicions were correct.

7 I was concerned that the results for hazardous
8 materials would be highly variable, that the sample variance
9 would be dreadful and that you would not be able to get the
10 precision you wanted. That is exactly why I structured my
11 bid to you, my response, the way I did.

12 I'm sorry it turned out that way. I mean, it does
13 not give me any great satisfaction being right.

14 BOARD MEMBER ARAKALIAN: Okay, let me ask you this
15 question: Have you then done your first \$50,000 worth and
16 come up with this conclusion that you're coming with now?

17 DR. BOMBERGER: Yes.

18 BOARD MEMBER ARAKALIAN: Would it be proper, Mr.
19 Chairman, or whoever the person is that would answer this
20 question, that since \$50,000 has been spent and at the end of
21 the \$50,000 we're finding out that we aren't going to be able
22 to get what we want, why do we want to put out good money
23 after bad? Why don't we stop at the end of 50 and say that
24 it didn't work; as opposed to spending 150 to find out it
25 didn't work?

1 The man is telling us now he did it in stages. He
2 did the first \$50,000 worth and is now telling us -- if that
3 is the way I understand it. Originally we looked at the
4 scope of work and felt we wanted this done for \$150,000. The
5 man at the end of \$50,000 is nice enough to tell us that it
6 isn't going to work.

7 Now, do we foolishly say that as long as we've
8 started it, let's go ahead and spend the other \$100,000 for
9 nothing or a lesser program? Or do we just say, let's be big
10 boys and say we shot craps and lost? We put out 50,000,
11 found out it wasn't such a good program. Let's hang on to
12 the other 100,000. Is that in order?

13 CHAIRMAN ROODZANT: I don't know that it's in order.
14 But I think what I hear Dr. Bomberger telling us is that it's
15 his professional opinion that the samples don't need to be
16 taken from numerous diverse locations taking into account
17 socioeconomic factors, that the data is probably going to be
18 similar no matter where the samples are taken and that he is
19 requesting --

20 Is that what he's requesting, staff? That we limit
21 the size of the sample area to bring down the costs such that
22 we can have some reliable data for the Legislature? I keep
23 seeing nods. Will somebody say something?

24 MS. O'LEARY: Yes.

25 DR. BOMBERGER: Yes.

1 CHAIRMAN ROODZANT: I don't think it's throwing good
2 money after bad.

3 Mr. Beautrow.

4 BOARD MEMBER BEAUTROW: Just one comment. I
5 remember very clearly discussing this in detail. One of the
6 aspects was to have a north and south analysis, if you will.

7 Of course, the second question is to answer once and
8 for all is there enough hazardous waste in the domestic waste
9 stream to make a difference to where we really should be
10 concerned about it.

11 We know that the L.A. San District and the City of
12 L.A. have pawed through the garbage and characterized this.
13 I think you're pretty much confirming at least in the
14 literature review stage that you anticipate that it's really
15 not that great for public concern. But, nevertheless, we
16 still have these hazardous waste cleanup days and so forth.
17 In fact, we've got an article in front of us about Marin's
18 garbage and the squeaky cleanness the community might allow
19 that it was. But this study is criticized.

20 I don't know. I feel somewhat like Sam. We had a
21 great discussion on this originally for an original scope of
22 work and now you're saying in essence let's reduce the scope
23 of work so that we can complete it for the same amount of
24 money. But the overall concern was if we do that, are the
25 results still going to be as meaningful.

1 I really don't understand about the north and the
2 south. From what you found out so far if we took out the
3 dual aspects of this, is it going to not change the findings?
4 Is that your conclusion?

5 DR. BOMBERGER: I guess I backed into it another
6 way. What I think is that with the limited number of samples
7 that I will be able to take of the various kinds of
8 conditions that were specified -- two kinds of communities in
9 the north, two seasons, three different kinds of route --
10 namely, a self-haul route -- multi-family, single-family --
11 that given the logistics, I'm going to be restricted to
12 something like 25 or so samples that I can take down there
13 and 25 samples that I can take in the north just to get the
14 data that you want.

15 When I do that and because the variance is so high,
16 what I am suggesting is that you won't be able to see the
17 difference. I'll be able to say that, for example, the
18 chlorinated hydrocarbon content of Southern California refuse
19 might be 56 parts per million, but the sample standard
20 deviation would be 40. So, it would be 50 plus or minus 40.
21 Based on the numbers I've seen, that could be an outcome.

22 I might tell you that based on my sampling in
23 Northern California, that it was 65 plus or minus 40. It
24 would be very difficult to then come and tell you that that's
25 a significant difference.

1 So, all I'm saying is that if you do that, I don't
2 think you'll get what you want; that I have to take a lot
3 more samples in order to get you a north/south variation
4 that's believable.

5 BOARD MEMBER BEAUTROW: But will you clarify -- and
6 maybe the staff could also talk about this -- is your
7 contract written in such a way that you are obligated to
8 provide the correct number of samples to get a meaningful
9 result? Or is it just for X number of samples and you're
10 saying that maybe it won't give you what you want? In other
11 words, what does the contract say about giving us the
12 required information irregardless of the burden on you?

13 MS. O'LEARY: The contract basically says that SIR
14 will, as a result of their pilot studies, come up with a
15 sampling methodology and it's supposed to be statistically
16 sound and they'd come back before the Board and propose this
17 final sampling methodology as part of their semi-annual
18 report.

13
19 That's why we're here today. He's telling you what
20 those pilot studies have shown and the statistics that go
21 along with pilot studies and what he's projecting that he
22 needs to do for the extended portion of the study.

23 CHAIRMAN ROODZANT: Mr. Eowan, is it the staff's
24 opinion that what Dr. Bomberger is proposing today is more
25 scientifically valid than the previous approach or as equal? ..

1 EXECUTIVE OFFICER EOWAN: I think what Ms. O'Leary
2 is saying is that the first portion of the work that Dr.
3 Bomberger is doing is setting up a study. It's a unique
4 effort, because we haven't been involved with it at the Board
5 before and the efforts that have gone on around the country
6 and the state have provided us with data that's so varying
7 that we couldn't establish prior to the establishment of the
8 contract a particular methodology; because the previous
9 methodologies used by other scientists in the past didn't
10 work. So, part of his effort is to create a methodology.

11 In the contract, it was therefore difficult to
12 before the fact be so specific that you can predict exactly
13 how many samples and how much it's going to cost and where
14 it's going to occur.

15 So, in terms of getting a data base out of the
16 sampling that is statistically satisfying, I think you have
17 to do what he's saying. Or if you want to do Southern
18 California or middle California or coastal California and
19 desert California and all the other options we discussed for
20 many months at the Board meeting, if you recall, we'll have
21 to do what we knew we'd have to do anyway; which is spend a
22 lot more money than \$150,000.

23 We knew that going into it. We just didn't know
24 where the line was. I think what Dr. Bomberger is trying to
25 explain is that it's more expensive to do than we even

1 thought it was.

2 CHAIRMAN ROODZANT: Counsel, the request that's
3 being made to us today, is it legal within the scope of the
4 contract for us to make this proposed change?

5 MR. CONHEIM: It's my opinion that it is. The scope
6 of work did require one minimum number of locations. That is
7 four locations. But in terms of the number of samples, it
8 required that the contractor propose a level of precision to
9 a certain degree of statistical competence. That's the
10 aspect that he's talking about today.

11 We signed a contract with SRI that required that
12 certain things be left unspecified until this point in time,
13 as I understand and read the contract.

14 BOARD MEMBER ARAKALIAN: I'd like to ask one more
15 question. Maybe more later, but right now one more.

16 If I'm going back with my memory here and if I
17 recall -- correct me if I'm wrong -- that we're doing this at
18 the request of the Legislature to give them findings on this,
19 aren't we? Wasn't this the reason in the beginning?

20 EXECUTIVE OFFICER EOWAN: Well, it's not exactly
21 that. We don't have a formal request. But it's an issue
22 that has been raised in the Legislature now for a number of
23 years. We're trying to respond to it.

24 BOARD MEMBER ARAKALIAN: But our reason was in order
25 to have data to give to the Legislature so that we can

1 enlighten them on this subject.

2 Now, the Legislature, I'm assuming, is interested in
3 the state of California, as opposed to an area. Are they
4 going to be happy? I'm just wondering, because this was our
5 original intent. Are they going to be happy if we come back
6 to the Legislature and say, we ran a study for you, but we
7 weren't able to do it in various locations throughout the
8 state to give us cross-sections of different locales; so we
9 decided to give you one done in one area.

10 Would they be happy with this, do you think? I
11 don't think they would. I mean, we're trying to please our
12 Legislature by giving them information. As a Board we are
13 here putting together some information to give them. Are
14 they going to be happy with this information or look at us
15 and say, well, what the heck, why did you waste your time?

16 EXECUTIVE OFFICER EOWAN: I think what will happen
17 is if we give them data that is not statistically valid, they
18 will not trust our data. I think the most important thing we
19 can get out of this effort is an answer, whether it's
20 comprehensive or focused in a narrow area, that's reliable.
21 That's the first thing we've got to do. That helps us build
22 our credibility with the Legislature.

23 BOARD MEMBER ARAKALIAN: But if I were in the
24 Legislature and there's as many people from the south as
25 there are from the north and possibly more, I would want to

1 say, if I was a southern legislator, hey, wait a minute, you
2 told us what's happening up in the north, but I'm concerned
3 about my constituents in the south. What the hell do we know
4 about that?

5 Wouldn't you say that we only did it for the north,
6 we gave them preferential treatment? What's the reason? I
7 would rather say we are a state and we are not taking from a
8 portion of the state, we want to know a cross-section of the
9 state.

10 If I recall again -- I recall. I'm being kind of
11 foolish. But I specifically recall one of the strongest
12 points we made when we were awarding this contract was who
13 was in a position to do the multiple sites as opposed to
14 those who we didn't feel were as qualified to do them because
15 they were going to be restricted in an area for various
16 reasons. We pointed out that this was one of the most
17 important factors in this whole study was to give it a
18 cross-section.

19 I wish everybody here in this Board could remember
20 specifically that that was a large argument and that was one
21 of the things we based our opinion on. The biggest thing we
22 based it on was let's give it to someone who can give us a
23 statewide concept.

24 I'm remembering this well, because I for one have
25 thought in terms of a Southern California program that I

1 thought was better than the one we're doing; but was told
2 that that's swell, but we don't want it in one area and we
3 want it throughout the state. This one can give us
4 throughout the state. If it were that important then, why
5 isn't it that important now? I don't know.

6 CHAIRMAN ROODZANT: Mr. Gallagher.

7 BOARD MEMBER GALLAGHER: It is not pleasant for me
8 to say I told you so.

9 BOARD MEMBER ARAKALIAN: Thank you, Mr. Gallagher.

10 BOARD MEMBER GALLAGHER: This whole thing -- and
11 I've expressed this before -- causes me great pain, because
12 it created for me personally a schism on this Board which I
13 shall never forget.

14 I am very concerned that we have put ourselves in a
15 very, very embarrassing position. I've said all along that
16 it was an exercise in futility and it certainly is turning
17 out to be just that.

18 I'd be a little more concerned about what are the
19 legal ramifications of this as it pertains to other bidders
20 for this contract. Because we had some very bitter words
21 over why one company should be selected over another.

22 It would seem to me that if we sent out an RFP that
23 was as broad and as general as I recall it being and we now
24 are willing to alter the contract to the company we awarded
25 the contract to based upon that RFP, that we have given all

1 of those other companies who bid on the thing based on that
2 RFP probable cause for a lawsuit against this Board on the
3 grounds of conspiracy to rig the bid, to rig the whole thing.
4 I am very concerned that we have put this Board in a very
5 embarrassing position over that.

6 Now, I'm concerned, Mr. Conheim, that we really look
7 seriously at that. Because there were some hard, hard
8 feelings over the way this thing was handled and the way it
9 was decided.

10 I certainly don't want to go any further. Because I
11 have had, as I said, some great personal concerns and some
12 very tender feelings on the part of a lot of people involved
13 in this issue.

14 I would ask one other question. That is, what if we
15 were to take one or the other? Eliminate the hazardous waste
16 or eliminate the recyclable thing. Could the study then
17 proceed on the basis of a statewide issue?

18 MR. CONHEIM: Mr. Chairman, Mr. Gallagher, to answer
19 Mr. Gallagher's first question. There are in the Public
20 Contract Code very limited bases for protesting the award of
21 a contract.

22 My job in each of the contracts that comes before
23 you is to advise you and the staff and to assure to the best
24 of my ability that the Board engage in the evaluation and
25 selection process in a way that won't come back on you later.

1 Basically, a losing bidder may only protest process
2 deviations in the contract award process. Because when you
3 have an RFP, a Request for Proposals, there is maximum
4 discretion to evaluate and to select on the part of the
5 Board. I remember this discussion in a slightly different
6 context at the time of the award of this contract. You are
7 not bound to a particular result in awarding a contract by
8 the RFP method. You must simply follow the process.

9 I was satisfied at the time and advised you that you
10 had followed the process properly. The contract was a
11 broad -- the proposal request was a broad proposal request
12 which asked for responses, proposals from the bidders on how
13 best to do this.

14 You in your wisdom evaluated, rated and selected a
15 contractor and a contract was signed in which the contractor
16 proposed a pilot study to then scope the remainder of the
17 work. So, at this point you would not be vulnerable in
18 discussing the scope of work in the manner that's proposed to
19 you today and in making decisions in order to obtain
20 statistically reliable, defensible data; which is the main
21 goal of the RFP.

22 I believe that the facts support that you have
23 throughout this, regardless of differences of opinion as to
24 who should or should not have been awarded the contract, that
25 all of you and we conducted ourselves procedurally within the

1 limits and bounds of the Public Contract Code. I think we're
2 squeaky clean on that score now. There will always be
3 unhappy bidders. But as long as we follow the process, which
4 I still advise you we have, where we are today does not
5 create per se vulnerability to the Board.

6 In that long dissertation, I've now forgotten the
7 second aspect of your question.

8 BOARD MEMBER GALLAGHER: Well, the second question I
9 asked was if we were to further change the scope of work to
10 include only one study, either hazardous waste or the
11 so-called recyclable study.

12 MR. CONHEIM: That would make me, Mr. Gallagher,
13 less comfortable. Because that was one aspect of the RFP
14 that was fairly definite. We asked for proposals on both of
15 those aspects, both of those tasks.

16 So, I would advise you at this time that while there
17 may not be a legal mechanism for a losing bidder to protest
18 at this point, that would not be consistent with the terms of
19 the RFP and with the contract that was signed. I'd be less
20 comfortable with that.

21 BOARD MEMBER GALLAGHER: Let me ask an amplification
22 question, if I may, Mr. Chairman. That is, what happens now
23 if in the wisdom of this Board we decide to say, thank you
24 very much, we got the pilot study, we spent \$50,000 and we
25 don't intend to go any further with it?

1 MR. CONHEIM: Mr. Chairman, Mr. Gallagher, all of
2 our contracts have boilerplate provisions which allow us to
3 do a number of things at a juncture like this. We can
4 terminate a contract for cause. We can terminate a contract
5 at will just because we decide in our discretion that we
6 don't want to continue. We can require the assignment of the
7 contract to someone who can complete the work.

8 The problem that you have and that Mr. Oldall is
9 better qualified to discuss is that if you do terminate the
10 contract, you'd be in a position to be unable to spend the
11 remaining \$100,000. You could lose it.

12 BOARD MEMBER ARAKALIAN: To who?

13 MR. CONHEIM: Pardon me. You could lose it in the
14 budgetary process.

15 BOARD MEMBER ARAKALIAN: That's all right. It still
16 goes to California.

17 CHAIRMAN ROODZANT: Mr. Stevens.

18 BOARD MEMBER STEVENS: My recollection again of this
19 particular situation is that in terms of the hazardous waste
20 aspects of it, that it was our intention and because of the
21 hue and cry that has been raised by all of the various
22 legislators, as well as the public in general as to the
23 degree of contamination of landfills by hazardous waste and
24 whether or not they actually constituted a hazard to the
25 public health and safety or whether the amount of

1 contaminants from the toxic materials was so minute as to be
2 basically of little consequences when considered in terms of
3 the dilution involved, one of the things was that the various
4 studies -- every study that had been done up to this point
5 was tainted. The San Districts, the L.A. County Sanitation
6 Districts' studies are tainted because they are operators of
7 a particular site and in every case that we've run into,
8 there are these various vested interests that conceivably --
9 I'm not saying they did -- but conceivably could have
10 influenced the results.

11 In this particular case we said, let the Board
12 conduct a study done outside of any sphere of influence or
13 any influence from any particular section so that we did have
14 some degree of reliability and objectivity in terms of the
15 report.

16 Again, we don't know what the report is going to be;
17 whether it's one percent, five percent, ten percent. But
18 whatever it happens to be, that there be a degree of
19 reliability that is absolutely essential; because we're
20 looking at the influence on every sanitary landfill
21 throughout the entire state.

22 In this particular case I think what we're looking
23 at is the contractor can go ahead with the sampling and the
24 studies in the various areas that the original proposal
25 called for, but is at least up front enough to tell us that

1 the analysis and the statistics that they gain from this are
2 not going to be meaningful. Therefore, this study is going
3 to be just as challenged as any other study is.

4 So you accomplish absolutely nothing. In fact, I
5 think what you conceivably could run into is an
6 interpretation that since you can't do the study in such a
7 manner that you have any reliability upon the data, that
8 there is no way then that you can predict whether or not
9 hazardous waste in the landfills are a problem or are not a
10 problem and, if so, then you've got to err on the side of the
11 exclusion of all or make all sanitary landfills in the
12 category of those that can receive toxic waste.

13 Certainly, that is not what we in our combined
14 knowledge believe to be the case. So, I think it's just a
15 case of, fine, we can go ahead with the study as originally
16 proposed; in which case we'd have nothing really in terms of
17 reliability. Or at least we can zero in and we can say that
18 this study that is done, although it has been limited in
19 scope beyond that that was originally proposed, at least the
20 results are statistically reliable and we can draw whatever
21 conclusions we want to from that.

22 If we draw the conclusion that Northern California
23 is completely different than Southern California or the rural
24 or the multi-family is completely different from
25 single-family, that self-haul loads are completely different

1 from those collected by regular collection agencies, fine.
2 We can draw whatever conclusions we want. But at least the
3 basis upon which we draw those conclusions is statistically
4 reliable.

5 Obviously, you're going to draw a conclusion when
6 it's all over with. Because nobody knows whether .3, .5 or
7 .06 degree of contamination in a landfill is a problem or
8 not.

9 BOARD MEMBER GALLAGHER: I've already drawn my
10 conclusion.

11 BOARD MEMBER STEVENS: Well, I understand. At least
12 I hope I understand where you're coming from, John.

13 But, again, the public is not ready to accept what
14 they consider tainted studies. This is the first one, I
15 think, that's really been done in a professional manner.

16 Frankly, I think it's far more dangerous to waste
17 management practices and regulations in the state to have a
18 study conducted with results that are basically a statistical
19 computation that don't prove anything; where you can't prove
20 that the sampling itself is valid, et cetera, et cetera. I
21 think that is far more dangerous than to limit the study to a
22 specific area.

23 It may be that at a later date if the interpolation
24 is that Southern California and Northern California are
25 completely different, use different insecticides, use-

1 different amounts of paint, et cetera, that's something we'll
2 have to face later.

3 But whatever data we get I think must be reliable at
4 this point and I just think that to do otherwise would not be
5 doing us a service at all. In fact, it would be doing just
6 exactly the opposite; a disservice.

7 The idea of discontinuing the study at this point I
8 think has exactly the same risk. That is, if we discontinue
9 the study at this point -- and I'm sure the \$100,000 reverts
10 to the state and is not to be expended. But it will still be
11 pointed out that the California Waste Management Board
12 started to study this and found it too complex to study, too
13 complex to analyze, too complex to get any data which is
14 meaningful and can be interpolated in such a manner as to
15 relating to public health and safety. I think we would have
16 a real problem on our hands.

17 So, I don't like the information that Dr. Bomberger
18 has given us. I certainly agree with Sam in the sense that
19 you expect, based upon a proposal, that you are going to have
20 specific results. However, I also have to be cognizant of
21 the fact that if we could predict what the results of these
22 studies would be, we wouldn't need the studies to begin with.
23 If we knew what the predictability of the sampling process
24 was, we could avoid the sampling process completely and take
25 one specific sample.

1 That's the nature of this type of a study. As I
2 say, I'm not happy with it. I'd certainly rather see 100,000
3 tons analyzed. But there are even people who would object to
4 no matter what the scope is. If you analyzed every single
5 ton that went into a landfill, there are still people who
6 would object to that particular study.

7 All we can do is develop data which we feel is
8 statistically reliable that a reasonably educated,
9 sophisticated individual can evaluate and say, yes, there is
10 a problem; or no, there is not a problem with hazardous waste
11 in the landfill.

12 BOARD MEMBER ARAKALIAN: Mr. Chairman.

13 CHAIRMAN ROODZANT: Excuse me, Mr. Arakalian. There
14 are a number of people who have asked to have the floor here.
15 You're in line.

16 I'd just like to recognize Mr. Calloway and remind
17 you of something we've overlooked today, I think. That's the
18 fact that the Legislature has in effect ordered us to
19 assemble a Household Hazardous Waste Advisory Committee,
20 which we have done. Their first organizational meeting will
21 be, I believe, next week. Monday?

22 MR. IWAHIRO: That's correct.

23 CHAIRMAN ROODZANT: I believe they'll be looking
24 forward to the results of this survey with a great deal of
25 need for credibility. I think we need to look at that issue

1 today of credibility when we face this particular request for
2 a contract change.

3 Mr. Calloway.

4 BOARD MEMBER CALLOWAY: Thank you, Mr. Chairman.

5 I have a couple of questions of you, Dr. Bomberger.
6 Are you prepared now, is SRI prepared now to complete this
7 contract as you bid on it? Are you prepared to complete the
8 contract as you bid on it?

9 DR. BOMBERGER: You mean as it was specified? I
10 think I am in terms of the bid was I would tell you what I
11 was going to do next at this juncture. I'm prepared to
12 proceed along those lines, yes.

13 BOARD MEMBER CALLOWAY: What I'm trying to get at,
14 Doctor, is you made a contract with the State of California
15 to do X number of jobs. Now, in your professional opinion --
16 I understand why you're back here and -- I think I understand
17 why you're back here is that you have discovered some things
18 that it would be beneficial to the State of California if we
19 amended this contract and expanded the research of this
20 contract, is that correct?

21 DR. BOMBERGER: What I'm suggesting and what I've
22 said really is that -- I guess two things.

23 I think that I can fulfill the minimum requirements
24 of this contract as it was outlined. That is to say, I can
25 probably go to Southern California and take samples of all

1 the variables that we outlined and include both the
2 recyclables and the hazardous material. I can do the same in
3 Northern California.

4 What I have tried to indicate is that that is going
5 to give me, because of the manpower involved, very little
6 route duplication. I will probably be able to do no more
7 than sample each condition twice.

8 BOARD MEMBER CALLOWAY: I understand that.

9 DR. BOMBERGER: And that the statistics that you get
10 are going to be relatively meaningless. If the question is
11 am I prepared to do it anyway, sure.

12 BOARD MEMBER CALLOWAY: Doctor, that's what I wanted
13 to get on the record. Are you, SRI, prepared to fulfill your
14 contract as you contracted with the state? The answer is yes
15 or no, right?

16 DR. BOMBERGER: Yes.

17 BOARD MEMBER CALLOWAY: And your answer is yes, is
18 that correct?

19 DR. BOMBERGER: To the extent that I as a --

20 BOARD MEMBER CALLOWAY: I understand, Doctor. We'll
21 go to that later.

22 DR. BOMBERGER: No, no, no, wait a minute. I want
23 to make another point.

24 If you want to ask that particular question, that
25 requires sitting here -- I mean, if it becomes a really

1 serious question, then I need to have my contract person
2 sitting here discussing that with you just as you have your
3 contract person.

4 BOARD MEMBER CALLOWAY: Maybe I don't understand
5 what you're doing here, Doctor. You're saying to us that,
6 okay, what -- if you finish this contract, then it isn't
7 going to be very meaningful.

8 DR. BOMBERGER: Yes, that's correct.

9 BOARD MEMBER CALLOWAY: I understand that as a
10 professional and I respect your professional opinion of that.
11 Then that's another question that this Board has to deal
12 with.

13 But my question to you is whether it's meaningful or
14 isn't, are you prepared to go ahead and complete your
15 contract?

16 DR. BOMBERGER: Yes.

17 BOARD MEMBER CALLOWAY: All right, that's exactly --
18 I mean, I'm sorry we had to take this long to get to it. I
19 thought it was a rather simple question. You made a contract
20 with the State of California. I just wanted to know if
21 you're willing to carry it out. You are apparently.

22 I wanted to ask you what did you discover in your
23 research in Northern California that convinced you that there
24 were no differences in the garbage in Southern California?
25 Was it the fact that they will be using the same amount of

1 insecticides, will Mr. Arakalian be drinking the same amount
2 of Jack Daniels and disposing of his bottles there the same
3 as I will be drinking my Thunderbird in the brown paper sack
4 and disposing and those bottles are all the same whether they
5 come from Northern California or Southern California? Do
6 they all drink the same or all use the same amount of
7 insecticides or whatever? Is this what you're saying to us
8 is that there's really no difference in the garbage in the
9 two locales then?

10 DR. BOMBERGER: I guess I'd have to say that in a
11 different way. I have no evidence that they are different.
12 What I have tried to say to you in my presentation in the
13 report is that I don't see that I will be able to show you a
14 difference given the level of effort that we have. But if
15 you say do I have some knowledge that tells you there are no
16 differences that I could defend, no, I do not have that
17 knowledge.

18 BOARD MEMBER CALLOWAY: I see. I appreciate what
19 you're doing, Doctor. I'm not trying to put you on the spot
20 here.

21 DR. BOMBERGER: It feels a little like it, but I'll
22 live.

23 BOARD MEMBER CALLOWAY: In fact, I appreciate you
24 coming to this Board and saying, hey, wait a minute; what you
25 did here when you drew up these specifications for this

1 contract in my professional opinion is not very meaningful
2 and now I think the taxpayers of the State of California
3 would get a better benefit and a more meaningful benefit if
4 we amended this contract to enlarge the scope of the work.

5 Is this what you're saying to us?

6 DR. BOMBERGER: Yes.

7 BOARD MEMBER CALLOWAY: Fine. I appreciate that. I
8 just wanted to make sure we got that on the record and make
9 sure that the Board members understand that. I'm not sure
10 that some of them understand that part of it.

11 Mr. Chairman, that concludes my remarks.

12 CHAIRMAN ROODZANT: Mr. Beautrow.

13 BOARD MEMBER BEAUTROW: I really wouldn't want to be
14 a part of completing a contract that would produce results
15 that couldn't be supported or are not statistically
16 meaningful. That's ridiculous.

17 So, I think we should get that out of way right now.
18 We just can't do that just because in the spirit it would not
19 adhere to the scope of work or whatever. But in the end we
20 can't defend it. Because that seems to be the problem all
21 along.

22 I really feel that we ought to salvage something. I
23 know there's the old story like in the stock market of cut
24 your losses and bite the bullet and all that kind of stuff.
25 But I think that we're obligated to produce something here

1 that is meaningful.

2 I disagree with Mr. Conheim. To me if we could cut
3 the recyclable part out of it and change the scope of work
4 and just do the hazardous waste part -- that's what the
5 public is concerned about. They're not really concerned
6 about the statistics or the meaningfulness of how much
7 recyclables are in there. So, if we want to do something to
8 change the scope and still complete this within the
9 allocation of funds, I think that would be a meaningful
10 change.

11 So, I would not support, number one, completing this
12 for the sake of completing it and not having it defensible.
13 I would think that the component of hazardous waste would be
14 the most desirable thing that we're getting out of this and I
15 think we ought to go ahead and finish the thing with \$150,000
16 and maybe we can defend the part about just changing it to
17 Northern California if we still need some rationale or some
18 reason to say that Northern California is statistically
19 comparable to the state. I think that we do need something
20 out of this that says it represents the state.

21 CHAIRMAN ROODZANT: Mr. Arakalian.

22 BOARD MEMBER ARAKALIAN: I'm almost in agreement
23 with Mr. Beautrow. But we never got to have the gentleman
24 with the real know-how to give us an answer. So, I'd like to
25 question him on something.

1 Firstly, I want to commend you on the honesty of
2 saying you couldn't do it. Don't think that I'm on the
3 opposite side. I'm only trying to get it done in what I
4 think is the best manner.

5 I agree with what Mr. Gallagher said when he
6 suggested that -- or posed a question that was answered by
7 Mr. Conheim rather than by you. If we took out the
8 recyclable part, could you then -- would that be change
9 enough in the scope to give us a more comprehensible study on
10 hazardous only?

11 Now, Mr. Conheim says that wouldn't be in order. I
12 disagree with him. But before we even have to concern
13 ourselves with agreeing or disagreeing with Mr. Conheim, we
14 don't even know if it's worth discussing until you tell us
15 that alternative is plausible.

16 DR. BOMBERGER: I guess I'd have to say that the
17 most burdensome part of the work -- that is to say, the thing
18 that requires the most manhours -- is the hazardous, not the
19 recyclable.

20 BOARD MEMBER ARAKALIAN: Okay. Then there's no
21 sense in our -- thank you. Then there's not even any sense
22 in our questioning, as Mr. Beautrow says and Mr. Gallagher
23 says and I say, Mr. Conheim whether or not we could even do
24 that and be within the conformance of this thing. Because it
25 can't be done any better anyway.

1 So, that's one we can just X out and leave less
2 alternatives. That's one alternative we can omit. So, the
3 alternatives now are not this or that, but all of it here or
4 there.

5 DR. BOMBERGER: The reason why I left the containers
6 in is simply the way the study works. In order to get the
7 recyclables, I have to spread the stuff out on the floor
8 about six inches deep or less -- I mean, the hazardous -- so
9 I can get the containers out, the batteries and what have
10 you. At that point it's not much of a burden to pull out the
11 cans and the bottles and weigh them. So, that's why I put
12 that in. Because it doesn't really hurt me very much.

13 When I have to pull out the paper and weigh it, then
14 it starts to get burdensome.

15 BOARD MEMBER ARAKALIAN: Okay, that's
16 understandable.

17 BOARD MEMBER GALLAGHER: Mr. Chairman.

18 CHAIRMAN ROODZANT: I think somebody else --

19 BOARD MEMBER GALLAGHER: You said Beautrow to
20 Arakalian to Gallagher.

21 CHAIRMAN ROODZANT: Mr. Gallagher.

22 BOARD MEMBER GALLAGHER: It's necessary for me to
23 respond to a point that Mr. Stevens made and to again ask a
24 technical question having to do with procedure.

25 It is not my desire to pose for holy pictures, but

1 I'm a public representative on this Board. Unless this study
2 can be looked at as being completely meaningful,
3 statistically as accurate as we can get and it can be
4 defended, then I don't give a damn if we lose the \$100,000
5 out of our budget. I do not believe in spending taxpayers'
6 money for a study that is not going to be worth a diddly.

7 The last time I made a motion and disagreed with
8 something, I got my tail in a wringer saying in effect that
9 my motion was out of order because we disagreed with staff
10 recommendation and that you had some kind of a procedure that
11 the Board members must go through to alter a recommendation
12 made by the staff.

13 I believe that the contract should be cancelled as
14 of right now. I don't know whether or not I can even make
15 that kind of a proposal. I need some advice technically on
16 where we stand with regards to disagreeing with the proposal
17 as made by the staff in this packet.

18 MR. CONHEIM: Mr. Chairman, Mr. Gallagher, the scope
19 of this item today is in the title of the item. You're going
20 to look at a semi-annual report and you're going to consider
21 a revision of the scope of work. So, you could accept the
22 semi-annual report and then approve or disapprove the change
23 in the scope of work.

24 In order to cancel the contract, I don't think you
25 could do that today. What you could do today technically --

1 just trying to respond technically to your question in a
2 hypothetical sense -- is that you could make a determination
3 as to the will of the Board that we issue a stop work order
4 and then resolve this by having a hearing on it at the next
5 Board meeting. That's the way I would recommend that you
6 proceed in a manner if you were to choose to terminate the
7 contract.

8 But the scope of your item limits you today. You
9 should not attempt to do that today.

10 BOARD MEMBER ARAKALIAN: Could we postpone this and
11 think about it and come back? It seems to me everybody is
12 taking enough interest in it and that we should give it a
13 little thought before we make a decision.

14 CHAIRMAN ROODZANT: Mr. Stevens.

15 BOARD MEMBER STEVENS: Mr. Chairman, just one
16 response to my comment relative to the \$100,000 was simply
17 the fact that saving it would be one thing. However, we do
18 have those funds available to us that we can get something
19 meaningful out of.

20 Mr. Chairman, I'd move the staff recommendation on
21 this item.

22 BOARD MEMBER CALLOWAY: Second.

23 CHAIRMAN ROODZANT: It's been moved and seconded to
24 adopt the staff recommendation. Any discussion?

25 BOARD MEMBER ARAKALIAN: What is the recommendation?

1 That we go along with the change?

2 CHAIRMAN ROODZANT: Hearing no discussion, all those
3 in favor say aye.

4 (Ayes.)

5 CHAIRMAN ROODZANT: Opposed?

6 (Noes.)

7 CHAIRMAN ROODZANT: Those who voted no, please
8 identify themselves.

9 That requires the Chairman, I guess, to take a
10 position. The Chairman will agree with the staff
11 recommendation and the ayes have it. The contract has been
12 amended. Staff recommendation has been accepted.

13 Item 5, Consideration of Invitation for Bids for
14 Consulting Services to Conduct a Recycling Study.

15 MR. OLDALL: Mr. Chairman, members of the Board, at
16 the March meeting staff introduced a concept to utilize
17 \$45,000 to fund a recycling study. This would be an
18 Invitation for Bids. At that last meeting a few items were
19 added to the kinds of material to be studied.
20 Ms. Carole Brow will continue and present this item.

21 MS. BROW: Thank you.

22 Mr. Chairman, members of the Board, I'm here today
23 to bring you an Invitation for Bids on studying recycling in
24 12 major waste generating counties in California. This study
25 is to assess the potential for recovering certain materials

1 from the household and commercial waste stream.

2 --oOo--

3 From the study we expect to be able to provide
4 ourselves with baseline data that we can use to evaluate
5 AB 2020 and other recycling programs in California. We also
6 expect that the results will enable us to know what needs to
7 be done to remove barriers to effective recycling in
8 California.

9 --oOo--

10 As you suggested at the last Board meeting, we have
11 amended the list of materials that would be included in this
12 study. We now have a category for colored ledger paper, as
13 well as for white, and we have a category for chipboard. The
14 other categories are glass, aluminum, ferrous metal cans, PET
15 containers, high density polyethylene containers, scrap metal
16 and a subset of glass, aluminum and PET containers; which
17 would be AB 2020 beverage containers. Then there are the
18 various paper categories like white ledger, colored, mixed
19 waste and so on.

20 --oOo--

21 As I mentioned, the study will be conducted in 12
22 counties. There are five Southern California counties and
23 five Bay Area counties and two in the Central Valley.

24 --oOo--

25 - The Invitation for Bids attached to this agenda item

1 involves a two-step contract selection process. The first
2 step is one in which qualified bidders will be selected. The
3 Review Committee will score each of the bids received using
4 the bid rating sheet which is shown on page 131 of your
5 agenda package. To qualify a bidder needs to receive at
6 least 75 out of 100 points.

7 The next step would be to select the lowest bidder
8 from among the qualified bidders.

9 --oOo--

10 Following advertisements in the State Contracts
11 Register, we anticipate that the schedule will be that we
12 will receive bids on May 25, 1987. That's about a month from
13 the time when the advertisements would come out. We expect
14 that by the June 18th Board meeting we will have determined
15 the lowest responsible bidders and the Board will select the
16 bidder.

17 Following posting of the selection for six business
18 days, on June 26th the contract award will become final.
19 Then we expect to get the final report from the study in
20 January of 1988.

21 If these arrangements meet with your approval, the
22 staff recommends that you approve the issuance of the
23 attached Invitation for Bids to conduct the proposed
24 recycling study.

25 Are there any questions?

1 CHAIRMAN ROODZANT: Mr. Stevens.

2 BOARD MEMBER STEVENS: Yes. Relative to the various
3 processes involved in bidding and so forth, I think we ought
4 to establish -- relative to the various processes involved in
5 awarding contracts, I think we should establish right now the
6 period of time in which the Board will have the various
7 proposals as well as the staff rating so that we don't come
8 down to having proposals and having to determine the rating,
9 whether or not we accept the staff ratings, in a matter of
10 one or two days.

11 I would propose that those bids be received by the
12 Board members no later than seven days prior to the June 18th
13 Board meeting so that the Board members will have an
14 opportunity to read those and if they so desire, to evaluate
15 them and rate them themselves.

16 BOARD MEMBER GALLAGHER: Mr. Chairman.

17 CHAIRMAN ROODZANT: Mr. Gallagher.

18 BOARD MEMBER GALLAGHER: It was not lost upon me the
19 fact that we were going to have this item come up immediately
20 following the last one.

21 My concerns here are since there appears in my mind
22 to be some level of duplication of effort, that we ought to
23 be pretty careful in how the Invitation for Bid is awarded so
24 that we take maximum advantage of this study and maximum
25 advantage of the other one.

1 Because, as I see it, it looks to me like the
2 Stanford Research Institute is going to be studying the same
3 thing that we now want to go out for bid. It is one of the
4 reasons why I asked the provocative question what happens if
5 we discontinue the recyclable study of SRI. Because I knew
6 we were going to be discussing it here.

7 Now it seems to me that we're adding a little bit of
8 insult to injury here. We're going to have two studies on
9 recyclable going at taxpayers' expense and I'm not sure
10 either one of them are going to tell us a damn thing.

11 But if we insist on going in that direction, I would
12 certainly hope that the Invitation for Bids are so written
13 that we're going to get at least some different data from
14 this study than we get from what Stanford Research is going
15 to get. I sure don't want to see us spending money to get
16 the same kind or conflicting data, which I think is
17 conceivable.

18 That's my only point, Mr. Chairman.

19 VICE CHAIRMAN MOSCONE: Mr. Chairman.

20 CHAIRMAN ROODZANT: Mr. Moscone.

21 VICE CHAIRMAN MOSCONE: I would like to know if we
22 are in a low bid process here.

23 MR. OLDALL: The original qualifications will be
24 examined to meet a certain criteria.

25 VICE CHAIRMAN MOSCONE: The original qualifications.

1 But are you going to score them?

2 MR. OLDALL: They have to get 75 points minimum.

3 CHAIRMAN ROODZANT: Does this leave the opportunity
4 open for the lowest responsible bidder concept that
5 Board Member Bremberg has brought to our attention on
6 numerous occasions?

7 MR. OLDALL: Yes.

8 EXECUTIVE OFFICER EOWAN: There are a variety of
9 ways you can go about doing this. The concept that is
10 proposed here would be three-phased. You receive the bid,
11 you look to see if the bidders pass minimum qualifications.
12 Then, second step, staff rates those that pass the minimum
13 qualifications. That's where the 75 or better comes in that
14 Mr. Oldall is referring to. Of those that receive 75 or
15 better, the way this is set up, the low bidder would be
16 receiving the contract.

17 The lowest responsible bidder method is different.
18 That method would incorporate those three steps. However, if
19 it was determined that the lowest rated bidder was not the
20 lowest responsible bidder, the Board could then choose other
21 than the lowest rated bidder. So, you would add another
22 portion in there.

23 Now, if you want to do that, that is your pleasure
24 and you may. But that is not what staff anticipated doing
25 and it's not my understanding of what in previous discussions

1 months and months ago we said we would do. So, we didn't
2 design it that way.

3 But what the lowest responsible bidder concept would
4 do is it would allow the bidder greater flexibility in their
5 choices. Because I think it makes perfect sense that if a
6 lowest rated bidder was in your minds not the best -- maybe
7 he was very close in his monetary bid, but significantly
8 better in the quality of his bid and his proposal, you might
9 want to pick him.

10 That's what the lowest responsible bidder method
11 would offer you. It's certainly up to you if you want to do
12 that.

13 CHAIRMAN ROODZANT: Mr. Moscone.

14 VICE CHAIRMAN MOSCONE: The procedure, I take it
15 then, would be you get the bid rating sheet, which is
16 Attachment B on page 131, and you rate them there. All of
17 those who have come within the points that you require would
18 then be processed according to Attachment C, is that correct?

19 EXECUTIVE OFFICER EOWAN: Yes.

20 BOARD MEMBER ARAKALIAN: I'm sorry I was out in the
21 beginning, but I understand Mr. Gallagher asked a question
22 that comes to my mind. If we are already getting a recycling
23 study, why do we need another one? Won't they just sort of
24 be repetitious and redundant?

25 MR. LARSON: Mr. Chairman and Mr. Arakalian, George

1 Larson of the staff. With the Board's action on the previous
2 item and the reason that these two items are arranged so is
3 with the acceptance of the staff recommendation to change the
4 focus of the SRI contract towards the hazardous component
5 leaves this recyclable component or recyclable area --
6 disregard. Excuse me.

7 EXECUTIVE OFFICER EOWAN: There is a component in
8 the SRI -- counsel informs me that there is no way we should
9 take out the recycling portion of the SRI study, because
10 that's the way it was bid. That has to say in.

11 The reason simply to do this study as well as -- or
12 as an add-on to the SRI study to me is simply a matter of
13 priorities and how you want to spend your money.

14 I feel that this study would serve a good purpose.
15 That is, it's designed to be more comprehensive than what the
16 SRI study is doing.

17 BOARD MEMBER ARAKALIAN: Why do you feel SRI's is
18 not going to be comprehensive?

19 EXECUTIVE OFFICER EOWAN: Because they're not
20 spending as much resources on recycling as this would. When
21 we awarded the SRI study, we were not anticipating that we
22 would have another study on recycling. Because one of the
23 reasons I believe we ought to do this is because of the
24 passage of the bottle bill. We need a more comprehensive
25 effort than we originally anticipated when we bid the SRI.. . .

1 BOARD MEMBER ARAKALIAN: I'd like to make a comment
2 on that. We already have \$150,000 we're spending with SRI on
3 a study for recyclables along with the hazardous.

4 Now, if we were to spend \$45,000 on this contract,
5 my opinion would say one of two things -- don't do it because
6 we're already doing it and/or if we are going to spend 45
7 more thousand dollars, I'd rather see \$45,000 more go to SRI
8 to do a more thorough study on the one they're already doing.
9 Because you're saying to Joe, spend a lot of money, dig
10 through the trash and find recyclables. You're going to Mike
11 and saying, dig through the trash and find recyclables. Why
12 make two big piles of trash that costs you a lot of money
13 when one guy's already tearing the trash up? Let him do the
14 damn job right.

15 You'll get more than \$45,000 worth by attaching this
16 to the other one than doing it by yourself. If the man sits
17 there and tells us it really doesn't matter to him -- and
18 that's true. I expected that answer when I asked it --
19 whether he did both or one during the time of his study --
20 because if you're going to go to a site and tear through the
21 trash, whether you look for two different kinds of items or
22 17 items, does it really make a big difference? Bringing the
23 load, dumping it, tearing it down, going through it is your
24 big initial cost.

25 Now, after you've got the initial cost and the big

1 nut cut, you spend a few more dollars or save a few dollars
2 by omitting or adding an item to it.

3 So, if that's the case, we might be able to give SRI
4 the \$45,000 and tell him to do the same damn study he was
5 going to do before and add this other thing to do it and
6 we've got the whole shooting match and/or do it on the one
7 site you're going to do it and do it right.

8 Now, if that doesn't make sense, for sure \$45,000 to
9 the new guy doesn't make any sense at all. Because if we
10 intend to get a -- if we can't get for \$150,000 a
11 comprehensible study from SRI or whoever, what makes us think
12 we can get such a comprehensible one for \$45,000? My gosh,
13 if 150 Gs isn't enough, a third of it in my kind of
14 arithmetic -- that would be dumber than beans.

15 CHAIRMAN ROODZANT: Mr. Conheim, would
16 Mr. Arakalian's proposal be in order, legal?

17 BOARD MEMBER ARAKALIAN: I didn't say that was my
18 proposal, I said one or the other.

19 CHAIRMAN ROODZANT: His idea, I'm sorry.

20 BOARD MEMBER ARAKALIAN: Okay.

21 MR. CONHEIM: Mr. Chairman, you could do that with
22 certain limitations. You'd have to do it through the sole
23 source process of adding money as a new contract almost to an
24 existing contract. I think we've done it in the past and I
25 think that we would be -- we would get the justification, it

1 would be approved because we have an existing contractor
2 doing a particular task -- recycling.

3 Now, in a new budget year we have more money for
4 that. So that we would have to go through the sole source
5 hoop. But it could probably get through it. I can't
6 guarantee it.

7 BOARD MEMBER ARAKALIAN: All I know is it certainly
8 would get you \$45,000 worth a hell of a lot better by giving
9 it to SRI and telling him to do a better job while you've
10 already got the trash bucket on the ground than to go to
11 another guy and say, spend 40,000 to dump the trash and then
12 5,000 to sort it. This guy is going to have 45,000 to sort
13 with because he's already dumped the trash.

14 CHAIRMAN ROODZANT: Mr. Gallagher.

2
15 BOARD MEMBER GALLAGHER: I have to go back. I hate
16 to do this to the previous item. I refer back to it only
17 because in a letter to Ms. O'Leary from SRI, they are
18 recommending that they study glass, ferrous and non-ferrous
19 recyclable deposits collected at sale and non-recyclable
20 glass, ferrous and non-ferrous.

21 I have difficulty with the distinction between
22 those. Because all glass is recyclable, all ferrous metal is
23 recyclable, all non-ferrous metal to some degree or other is
24 recyclable.

25 The new scope of work as you're proposing duplicates

1 part of that. But it goes on to say white ledger paper,
2 colored ledger paper, mixed waste paper, computer printout.
3 I said earlier that I think if we're going to spend money, we
4 have to do it and let's don't duplicate things.

5 I would like, if we're going to go in this
6 direction, to see that SRI limit only their study to those
7 items covered by AB 2020, which gives you the study of the
8 bottle bill, and that whomever gets the other thing pay no
9 attention to those items covered by AB 2020 and concentrate
10 strictly on the other items as listed here.

11 The AB 2020 items are easily identifiable. It
12 refers strictly to beverage containers. The other glass
13 containers, the other ferrous metal containers, the other
14 plastic containers, all paper items are quite different and
15 they're not mentioned in 2020.

16 It seems to me that that's the kind of thing we
17 ought to be separating out of here so that we get maximum
18 results for the dollars expended. I don't want everybody to
19 come up here studying aluminum cans and plastic beverage
20 bottles and nobody getting any meaningful data on the
21 recyclability on all these other items that are listed in
22 here; which is, I think, a distinct possibility.

23 CHAIRMAN ROODZANT: Mr. Beautrow.

24 BOARD MEMBER BEAUTROW: I've got another perspective
25 on this and I think John Moscone could perhaps remember this,

1 also.

2 It seems to me during the SB 650 glory days we gave
3 a sizable grant. I think it was to the CRRC Southern Section
4 for this very thing. If I recall right, they had difficulty
5 in getting the data, because all of the garbage companies who
6 collected stuff didn't want to be bothered and all that.

7 But, nevertheless, if there's anything that's suited
8 for the activities of the Board staff and the knowledge and
9 the context they have throughout the state in the industry,
10 this is something that really should have been done in-house
11 rather than hiring a consultant to do it. Because I think
12 that we -- and I know about the staffing problem. But
13 somehow or other this thing should be finessed somehow so
14 it's done under the auspices of the Board rather than a
15 contractor that goes out there and does all this. So, I have
16 a basic difficulty with this as far as getting meaningful
17 results and about farming it out to a consultant.

18 I'm sorry about that. Maybe I've never made that
19 clear before. But remembering the background on this thing
20 for SB 650 -- I think you said somewhere's in here that the
21 data was six years old and it's meaningless. But we did
22 gather a lot of data on this and I think this is just another
23 rehash and we really ought to do it ourselves.

24 BOARD MEMBER ARAKALIAN: In fact we did that at the
25 time the bottle bill was a hot shot number the last time

1 around. Why would it be invalid or outdated in six years? I
2 don't think a lot of things change in six years. The cans
3 and bottles that are consumed and used and thrown away
4 haven't changed that much. I don't think the change would be
5 worth \$45,000 for finding out. The data we had last time
6 should be usable this time. If not, then we need to study
7 it. If we need to study it, I still maintain that the guy
8 that's already dumped the trash can can do a more thorough
9 job than the next guy dumping it again.

10 EXECUTIVE OFFICER EOWAN: That makes sense to me.

11 BOARD MEMBER ARAKALIAN: Most things I say make
12 sense, you just don't agree with them all the time.

13 (Laughter.)

14 EXECUTIVE OFFICER EOWAN: That one I agree with. I
15 don't know if Dr. Bomberger agrees with it, but I do.

16 BOARD MEMBER ARAKALIAN: Let's let him comment and
17 tell us from his side how much more thoroughly he can do the
18 job with 45,000 and/or how much farther he could do it for
19 45,000 and in his educated guess how many dollars worth do
20 you get out of the second \$45,000 than you did out of the
21 first 45,000.

22 If this were in the scope of my work, I'd probably
23 be able to tell you something like add this much more on to
24 my present job and I'll give you \$150,000 worth of meaningful
25 work for this 45,000; because I've already got the initial

1 cost. I can assure you that when I fire up my shot to make a
2 thousand dozen rolls, the second thousand doesn't cost but
3 one-fourth. I can sell you 2,000 then for the same price as
4 1,000.

5 BOARD MEMBER GALLAGHER: I'll remember that the next
6 time I go to the bread store.

7 CHAIRMAN ROODZANT: It appears that this is going to
8 be a protracted lengthy discussion and we have passed the
9 lunch hour. If there's no objection, the Chair will suggest
10 we break for lunch and bring this item back up after lunch.
11 It doesn't look like we're going to resolve it.

12 Hearing no objection, so ordered. We'll reconvene
13 at 1:30.

14 (Thereupon the luncheon recess was taken.)

15 --oOo--
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AFTERNOON SESSION

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CHAIRMAN ROODZANT: Call the meeting back to order.

We'll continue on with Item No. 5, Consideration of Invitation for Bids for Consulting Services to Conduct a Recycling Study.

Any further discussion?

BOARD MEMBER CALLOWAY: Mr. Chairman, I just want to ask a question. Maybe it's not practical. But what are we going to do with this information? We collect it and we say we've got X number of plastics or whatever. Are we going to go to the plastic industry or the aluminum industry or whoever and -- well, the aluminum industry is already recycling. But we don't have a recycling plastic plant in California, do we?

EXECUTIVE OFFICER EOWAN: No.

BOARD MEMBER CALLOWAY: According to that film we saw at the last meeting, Mr. Gallagher was backing part of that at Rutgers here. As I understand, that is a real plant and only on a small scale. But that's more than just a research plant, is that right?

BOARD MEMBER GALLAGHER: Yes.

BOARD MEMBER CALLOWAY: That's my understanding. It is a plant that really can do this. It's not just a laboratory plant, is that right?

1 MS. BROW: It's mostly just a laboratory, yes.

2 BOARD MEMBER GALLAGHER: It's a pilot plant wouldn't
3 you call it?

4 BOARD MEMBER CALLOWAY: Now, couldn't you build a
5 big plant from this?

6 MS. BROW: Yes, exactly.

7 BOARD MEMBER CALLOWAY: That's my point. Why can't
8 we build a big plant and take all this stuff that all of
9 these consultants keep telling us about and send it to the
10 plant and have it recycled? I mean, isn't that what we're
11 trying to do is get that stuff out of the waste stream?

12 But I don't see the point of keep doing studies and
13 studies and studies when I know there's plastic in the waste
14 stream or you know there's plastic in the waste stream or
15 there's glass or whatever. But what are we going to do with
16 it?

17 CHAIRMAN ROODZANT: Maybe somebody who's an expert
18 on recycling could enlighten us on that.

19 BOARD MEMBER ARAKALIAN: What's that?

20 CHAIRMAN ROODZANT: He's wondering why we don't plan
21 a plant.

22 BOARD MEMBER ARAKALIAN: Well, probably the same
23 reason nobody recycles it. There is no market for that much
24 recyclable. If there was a market for it, a profitable
25 market for recyclables, I'm sure we wouldn't have to wait for

1 the State of California or anybody else to build a plant.
2 Industry would cash in on a profitable venture.

3 Everything we do is just spinning our wheels anyway
4 and euphoric dreaming about recycling any more than we
5 presently are. We're recycling for as much a demand for the
6 market. Supply and demand is a funny thing. Supply doesn't
7 set the standard, demand does.

8 I would love to spend every pro-recycling dollar we
9 have, as opposed to studies or building recycling plants or
10 anything else, I would like to spend it on educational
11 programs to educate the public to use secondary materials;
12 which would in turn create a market and which would in turn
13 cause recycling. That's my opinion. I mean, I'd like to
14 take this 50,000 and another 500,000 and 64 million or
15 whatever the hell came into our hands to spend for recycling
16 and spend it in educating the public if possible to create a
17 market.

18 When there's no market, recycling is not really too
19 economical. What do you do? Pull it out of the dirt, spend
20 a lot of money recycling it and then throw it away because
21 there is no market for it or a profitable market? I don't
22 know.

23 BOARD MEMBER CALLOWAY: Sam, I think John has
24 mentioned this before and he's associated with the glass
25 industry. Those are the very words that the glass industry

1 was saying. There's no money in this stuff and blah, blah,
2 blah. Now, they are really into recycling and they think
3 it's a good thing.

4 BOARD MEMBER ARAKALIAN: Maybe you misunderstood me.

5 BOARD MEMBER CALLOWAY: I'm talking about the
6 industry.

7 BOARD MEMBER ARAKALIAN: If industry has a place to
8 sell it, they can do it. If they have no place to sell
9 their recyclable glass, they wouldn't. They've probably got
10 some today, new states of the art, if you will, or whatever
11 and/or markets for colored glass. From what I always
12 understood, you take the coloring -- I don't know. John
13 probably knows.

14 John, if it wasn't profitable, would they use
15 secondary glass?

16 BOARD MEMBER GALLAGHER: Well, yes and no. That's a
17 hell of a way to answer your question, Sam. They've always
18 used a certain amount of what they refer to as cullet.

19 BOARD MEMBER ARAKALIAN: Yes.

20 BOARD MEMBER GALLAGHER: In each batch there is
21 always a certain amount of cullet.

22 But they discovered at the time of the energy crisis
23 in about 1974 that by increasing the amount of cullet in each
24 batch of glass, they were able to reduce their fuel bills and
25 at the same time reduce the sulfur dioxide emissions from

1 their furnaces. That made it possible for them to look at it
2 from a distinctly different economic vantage point. As a
3 consequence of that, the major companies started into very
4 large recycling programs.

5 They also spend a considerable amount of money and
6 beneficiation. Because in recycling glass, they're not too
7 much different from almost all the other things that are
8 recycled. You have to go through some preliminary steps to
9 prepare it for recycling.

10 In the case of glass they had the matter of color
11 separation, they had the matter of neck rings on the bottles.
12 It's interesting that when Carole and I were at Rutgers
13 University, one of the problems that plastic recycling had
14 was the elimination of a certain level of aluminum in this
15 recovered plastic which was a result of neck rings for caps
16 made from aluminum.

17 Since we returned from Rutgers, what, two months
18 ago --

19 MS. BROW: Uh-huh.

20 BOARD MEMBER GALLAGHER: -- and you take a look at
21 the majority of the one liter bottles by Coca Cola, they are
22 now plastic caps and plastic neck rings; which changes the
23 whole thing from an economic point of view and may change the
24 process. Carole and I don't know.

25 But that's the kind of thing that happens and it's

1 the kind of thing that is causing me to say continually that
2 this waste stream is not a static thing. It's a very dynamic
3 thing. It's changing every day.

4 So, my suggestion is that while Sam certainly in a
5 pure economic sense is true, that people are going to get
6 into it when they're shown that there's an economic incentive
7 to do it or that there is a market for the material, which
8 goes hand in glove with the first thing. The one thing that
9 I think we have to face is that, damn it, we're not telling
10 the people within our own industries that these things are
11 out here.

12 On the same day that we were showing that film in
13 Sacramento last month, the Society of Plastic Industry was
14 throwing a big reception for the Legislature in Sacramento.
15 I put the word out through a bunch of lobbyists that I'm
16 associated with and know a little bit about this whole issue
17 telling them to take ten minutes and come over to the Waste
18 Management Board and take a look at that film. The Society
19 of Plastic Industry, who are part and parcel of having
20 developed the whole thing, didn't even put the word out to
21 their own membership in California that such a thing existed.

22 So, I guess the intriguing thing to me is that maybe
23 that is a niche we're going to have to fill. We're going to
24 have to inform the plastic industry that they have developed
25 their own procedures and don't know anything about it.

1 They included an economic analysis of how to get
2 into this and where the markets were and what the reasonable
3 price of the recovered material ought to be and that sort of
4 thing. But I guess it goes back to the old adage that there
5 is no one so blind as one that will not see. That's, I
6 think, where we are.

7 BOARD MEMBER CALLOWAY: Beautifully said.

8 BOARD MEMBER ARAKALIAN: On top of that he's a
9 philosopher.

10 BOARD MEMBER GALLAGHER: I always told you guys, you
11 know.

12 CHAIRMAN ROODZANT: What's the pleasure of the
13 Board?

14 BOARD MEMBER GALLAGHER: Within the limits of what I
15 proposed earlier, I'd move adoption of the resolution.

16 BOARD MEMBER CALLOWAY: Second.

17 CHAIRMAN ROODZANT: It's been moved and seconded to
18 adopt the resolution. I'm not sure we have a resolution. I
19 wish you would restate what your limits were earlier.

20 BOARD MEMBER GALLAGHER: That we separate the 2020
21 considerations from the SRI study and give them
22 responsibility for studying one and then we study the other
23 one with the current proposal, which would include the
24 non-beverage containers and also the paper items that Carole
25 has put in her recommendation.

1 CHAIRMAN ROODZANT: It's been moved and seconded.
2 Do I hear any objection?

3 Mr. Stevens.

4 BOARD MEMBER STEVENS: Just a couple comments. I
5 apologize. I was talking to somebody else when this was
6 being discussed. Was it discussed to reduce the number of
7 sites to 12 sites?

8 It seems to me that the study in Los Angeles and
9 Orange Counties as being two separate entities is kind of --
10 they're both essentially the same type of areas. Riverside
11 and San Bernardino is again pretty analogous. My
12 geographical knowledge of the Bay Area -- or Northern
13 California is a little confused. But it seems to me that a
14 couple of those counties could be combined into single
15 studies.

16 The other is that I question the need to be quite as
17 specific in terms of the items that I would suggest where the
18 white ledger, colored ledger and computer printout, that
19 those three items be combined into one category and the
20 corrugated chipboard be combined; because they're both mixed
21 forms and they're separated forms. Again, hoping that they
22 will use -- instead of using the time to sort a given file
23 folder that they find into manilas, white ledger, colored
24 ledger, et cetera; that they just consider it all as a ledger
25 stock and lump it together.

1 Granted, there are these other categories. But
2 they're not the type of category that you're specifically
3 going to find in the waste stream. They are found in certain
4 generators of waste. That is, at the site itself. In other
5 words, pre-collection. That's where you get the separation
6 into the different grades.

7 I think it would simplify and make the study
8 possibly more meaningful if those two changes were
9 considered. That is, the fewer number of specific sites and
10 the fewer number of specific items.

11 I don't know if that can be incorporated into the
12 request. But, as I say, just to specifically set forth the
13 three different ledger items and sort them out is really not
14 time-productive, cost-effective. Could they be separated out
15 if we approve the concept here?

16 BOARD MEMBER GALLAGHER: I particularly agree with
17 the first of Mr. Stevens' points. There are some landfills
18 that serve several counties. You've got that new one down in
19 Corona that serves both Riverside and Los Angeles County
20 residents. So, you'd probably do that okay.

21 Insofar as the paper thing, Dick is the expert on
22 paper recycling and I'd certainly be amenable to his
23 recommendations and that kind of thing. Do you want to amend
24 the motion to that? Is that what you're proposing, Dick?

25 EXECUTIVE OFFICER EOWAN: Excuse me, Mr. Chairman.

1 CHAIRMAN ROODZANT: Mr. Eowan.

2 EXECUTIVE OFFICER EOWAN: You may want to just
3 specify a range of numbers for the sorting. There isn't
4 really a specific number of so many loads or whatever. Maybe
5 we could have some kind of a range of so many per county.

6 CHAIRMAN ROODZANT: Who knows what's statistically
7 meaningful? We just faced that with the previous issue.

8 Dr. Bomberger, do you have any comments on this
9 particular debate that's before the Board today?

10 DR. BOMBERGER: Oh, dear. I guess my problem is I
11 haven't been following the discussion in all its nuances.
12 There were a number of remarks that were made about would it
13 be easier once I have the stuff spread out to make some
14 additional measures. The answer is of course. What I would
15 have to be concerned about on that was whether I had to do
16 more sites at the same time.

17 The statistics -- you know, I'd be prepared to
18 comment on it. But I'd have to say I'm slow and stupid. So,
19 I like to read and think and do a little bit of calculations
20 before I shoot my mouth off.

21 So, I guess the answer is I would comment, but not
22 right now. Because, you know, what's statistically
23 significant involves some thought.

24 CHAIRMAN ROODZANT: Are you proposing that we accept
25 your motion and seconded with Mr. Stevens' --

1 BOARD MEMBER GALLAGHER: With modifications as
2 suggested by Mr. Stevens.

3 CHAIRMAN ROODZANT: Any objection to that?
4 Hearing none, so ordered.

5 BOARD MEMBER BEAUTROW: I oppose it. No.

6 BOARD MEMBER ARAKALIAN: Is it 45 Gs for another
7 thing?

8 CHAIRMAN ROODZANT: I will then after further debate
9 call for the question.

10 Mr. Moscone.

11 VICE CHAIRMAN MOSCONE: Are we looking to see how
12 much stuff is being recycled or how much stuff is recyclable?

13 MS. BROW: Mr. Chairman, both.

14 MR. OLDALL: Actually, we're trying to answer both
15 of those questions. That's what we're trying to do. We're
16 always faced with the question from various people how much
17 is recycled in California. It's a very difficult question to
18 answer. We tried to go back to the comprehensive plan and
19 some of the CoSWMPs, but we can't answer that. That is one
20 important question that we're trying to answer through this
21 study.

22 In addition, how much is actually recyclable; which
23 is the issue that SRI is doing in spreading out the garbage
24 and reporting to us how much is in there. So, both of those.

25 BOARD MEMBER GALLAGHER: Neither of these studies

1 will give you the total answer to that. One of them will
2 tell you what is still in the waste stream. It won't tell
3 you anything about what's being recycled. There will have to
4 be some mathematical computations made concerning the amount
5 that's used, produced and currently cycling in numbers
6 provided by industries. The other one will add to it by
7 what's still in the waste stream that isn't being recycled.
8 But it's there, it's available.

9 You're going to have to do a lot of extrapolation
10 from these things in order to get the total answer that you
11 want.

12 EXECUTIVE OFFICER EOWAN: That is what we're trying
13 to do.

14 VICE CHAIRMAN MOSCONE: Don't forget some of this
15 stuff you're going to have to pick up before it gets into
16 that truck.

17 EXECUTIVE OFFICER EOWAN: That's right.

18 BOARD MEMBER ARAKALIAN: Mr. Chairman.

19 CHAIRMAN ROODZANT: Mr. Arakalian.

20 BOARD MEMBER ARAKALIAN: You know, I always hear
21 that we should learn from our mistakes. Maybe I used the
22 word "mistake" incorrectly. You'll understand what I mean.
23 Use a different word if you like. We could learn from our
24 experience.

25 We just experienced an hour or two ago that we gave

1 an outfit 150 Gs to do a study in various locations, et
2 cetera, et cetera and the man came back to us and we
3 understood from what he said that it wasn't feasible for them
4 to do this study for \$150,000 in four various locations.
5 Still after learning that 150,000 wasn't sufficient in four
6 locations, we want to go to 12 counties and run another study
7 for \$45,000.

8 Unless we can use 1936 \$45,000 as opposed to the
9 1876 and '87 \$150,000, I don't see how 45,000 can do a job
10 that 150,000 couldn't do in 12 locations. If the answer I
11 got was this should be a more intense study into a -- because
12 of the bottle thing, I don't buy that. Because the major
13 cost, like I said before -- I'm getting redundant -- is all
14 the preparation for this study, all the physical work of this
15 study. Whether they concentrate on the bottles or whether
16 they concentrate on what's out there in the form of paper
17 and/or hazardous waste, it's still the same cost factor to
18 tear into that stuff and get some kind of understanding and a
19 worthwhile report.

20 Why would we want to do the same thing for a third
21 of the dollars when the first one didn't work? Now, this
22 would make more sense if we said we were going to do this one
23 for 300 Gs. I'd say, well, 150 didn't work, maybe 300 will.
24 But if 150 didn't work, there's no way in hell this 45,000 is
25 going to give us doodly beans in 12 counties.

1 The logic of it just throws me right in the
2 backyard. I don't know. Had I not heard the one before this
3 one, I might have considered that maybe 45,000 would give us
4 a usable study. But I just found out 150 didn't.

5 BOARD MEMBER GALLAGHER: The only difference, Sam,
6 if I may just answer part of it, is that we have tried to
7 limit what this study will study so it is not duplicative or
8 redundant of the SRI study.

9 BOARD MEMBER ARAKALIAN: I understand, John.

10 BOARD MEMBER GALLAGHER: I can't agree with you
11 more. I think it's throwing good money after bad. I've said
12 all along it's an exercise in futility and frustration. But
13 it's one of the things that seems to be the in thing to do.

14 BOARD MEMBER ARAKALIAN: If I may just tell you.
15 Your statement about -- you know, I know you understand it.
16 But you say we're going to study something different. The
17 process of studying whichever one you're looking for is
18 similar. I mean, you're going to go through and run a test
19 on it. It costs as much to find out if it's got bottles in
20 it than it has teacups in it.

21 How can this one be done for 45 when the other one
22 can't be done for 150? If this can be done for 45, why is it
23 going to be any better than the other one? We're already
24 getting some kind of response on the -- what do you call
25 it? -- a study already. We're just duplicating the study and

1 adding bottles to it. Jeess, tell the other guy to count
2 bottles, too, while he's at it.

3 Is it mandatory that we spend this 50 Gs in this
4 area?

5 EXECUTIVE OFFICER EOWAN: No.

6 BOARD MEMBER ARAKALIAN: We can spend it on
7 something maybe better, can't we?

8 EXECUTIVE OFFICER EOWAN: Yes.

9 BOARD MEMBER ARAKALIAN: Gee, I hope we don't pass
10 it.

11 CHAIRMAN ROODZANT: Any further discussion?

12 Mr. Eowan?

13 EXECUTIVE OFFICER EOWAN: No. I'll abstain from any
14 further discussion.

15 CHAIRMAN ROODZANT: Call for the question then. A
16 motion has been made and duly seconded to approve the staff's
17 request to issue an Invitation for Bids for consultant
18 services to conduct a recycling study. Numerous requests
19 have been made by Board members that would be incorporated in
20 this IFB. Is there any further discussion?

21 All those in favor say aye.

22 (Ayes.)

23 CHAIRMAN ROODZANT: Opposed?

24 (Noes.)

25 CHAIRMAN ROODZANT: Carried and so ordered.

1 Item 7, Consideration of Approval of the Final
2 Report of the Advisory Committee on Significant Change.

3 EXECUTIVE OFFICER EOWAN: Mr. Chairman, on this item
4 staff would like to proceed and give you the accounting of
5 this particular activity. But I wanted to remind you that
6 Mr. Brown is not here and we may want to just also bring this
7 up at the next Board meeting since he is the Chairman.

8 CHAIRMAN ROODZANT: Why don't we delay it? Oh, he
9 won't be here tomorrow.

10 EXECUTIVE OFFICER EOWAN: He won't be here tomorrow.
11 We would like to go ahead and proceed or we can wait until
12 the next meeting if you'd like.

13 CHAIRMAN ROODZANT: Why don't we go and discuss it
14 and wait for the approval until the next meeting.

15 EXECUTIVE OFFICER EOWAN: Okay. Thank you.

16 BOARD MEMBER STEVENS: Excuse me, Mr. Chairman. If
17 Mr. Brown is not here in terms of a discussion of the thing,
18 I really think --

19 BOARD MEMBER CALLOWAY: Mr. Chairman, that's exactly
20 what I was going to suggest. Mr. Brown isn't here and he's a
21 part of that committee. Why don't we just put it over until
22 the next meeting. I don't see any urgency.

23 EXECUTIVE OFFICER EOWAN: Whatever your pleasure is.

24 BOARD MEMBER ARAKALIAN: On top of that, I have
25 trouble voting on something when we discussed it five minutes

1 before. Can you imagine discussing it today and voting three
2 weeks from now? I'd be a cripple. My vote would be
3 worthless.

4 CHAIRMAN ROODZANT: Hopefully we'd discuss it again
5 next meeting, also. I have no problem with putting it off.
6 We just have people here in the audience you may have come to
7 hear this particular item. I don't know.

8 Does anybody in the audience want to hear this item
9 today?

10 VICE CHAIRMAN MOSCONE: Why can't we just get a
11 brief rundown of it and make it easier for us to try and
12 avoid some of the questions that we might be asking at the
13 next meeting?

14 BOARD MEMBER CALLOWAY: We're going to have to
15 discuss it twice, John. You're going to have to discuss it
16 when Les is here.

17 VICE CHAIRMAN MOSCONE: If I ask a question today,
18 I'm not going to ask the same question next month.

19 CHAIRMAN ROODZANT: Will the staff proceed to
20 discuss it.

21 EXECUTIVE OFFICER EOWAN: Okay.

22 MR. LARSON: Mr. Chairman and members, I'll give a
23 brief rundown now with what will be an information item on
24 the final report of the Advisory Committee on Significant
25 Change.

1 The Chairman called together this Committee in
2 October of 1985. This has been an 18-month intervening
3 period that the Committee has met six times and gone through
4 various iterations and drafts of what is presented to you for
5 review today, the final report of the Committee on
6 Significant Change.

7 To provide, I think, the most succinct summary, I
8 would direct your attention to page 145; which is a summary
9 of the key points of the study.

10 Before starting, I would also like to relate to you
11 that the LEA Advisory Council at its March 18-19 meeting
12 reviewed and endorsed or approved the final report and
13 directed me to provide that information to the Board in its
14 consideration.

15 The summary of key points is what -- the report
16 reinforces the established designation of authority between
17 state and local government as it affects significant change
18 determinations. That is to say that the Local Enforcement
19 Agency that is designated by the local body and approved by
20 this Board has the authority and the responsibility to make
21 findings of significant change.

22 The key issue here is that because of the size and
23 diversity of the State of California, in various iterations
24 of this study we found that the more we tried to become
25 specific in our recommendations, the more problems that we

1 caused. That was, things that work in Alameda County, don't
2 work in Modoc County. You could make that comparison in many
3 ways.

4 What the Committee arrived at was what they
5 considered to be 12 factors or 12 possible indicators of
6 significant change. The purpose here is to direct the LEA's
7 attention to certain activities that go on in the normal
8 operation of a solid waste facility so that at least we give
9 them some guidance in the things that we think are of
10 critical importance.

11 The Committee also indicated that it would apply
12 only to existing facilities. This is important in that as
13 new facilities come on line, there's little question as to
14 the requirements for a permit and finding of conformance.
15 It's when such activities as the five-year review of a permit
16 comes up on an existing facility and an LEA goes out and
17 takes a look at the operation and then considers the
18 conditions that exist in the current permit that
19 determinations of significant change must be made or a
20 finding that there is a significant change or not.

21 It was the direction of the Committee, also, that
22 the information in this report be integrated into the
23 Enforcement Agency Procedural Manual, which is a publication
24 to be developed by our Board and the Enforcement Division of
25 our Board in particular to assist LEAs in all aspects of the

1 monitoring enforcement of state minimum standards at solid
2 waste facilities.

3 Finally, as a key note, it was clearly stated that
4 the recommendations and guidance provided for this report was
5 advisory in nature only. This is tied back to and reinforces
6 the statutory placement of responsibility for local solid
7 waste management with local authorities and that the state's
8 proper role and guidance and advice in this activity is to
9 provide information, technical assistance and broad general
10 guidelines.

11 Without going too much into any more detail, since
12 we will review the final report by the Board again, I would
13 open up to any particular questions from Board members that I
14 may be able to respond to.

15 BOARD MEMBER BEAUTROW: I think that the outcome of
16 this was really wise in that you were able to recognize how
17 hard it was to cope with specifics. I remember, to give you
18 one example -- and I think Mr. Conheim had something to do
19 with this. But it was the kind of interpretation that if
20 there was a 20 percent change in such and such, does that --
21 you know, numbers.

22 So, I'm really glad to see that you have to
23 recognize that there's a high degree of discretion here and
24 what may be significant to one party might not be to another.
25 I know that we like to think in terms of finite things, but

1 in this case I think that it's very well thought out the
2 process that you have to go through.

3 MR. LARSON: For an activity that went on for 18
4 months one might assume that people would get frustrated and
5 tired of the issue, but we found it a very interesting issue.
6 Speaking personally, I found it was a real interesting and
7 enjoyable activity.

8 The composition of this particular committee was
9 exceptionally good in that it was represented by people from
10 industry, public health officials, local planners, private
11 transfer station operators and a local citizen who's very
12 active.

13 So, everybody got down and did what needed to be
14 done and we had to rewrite this report about four or five or
15 six times. We sent it out to an audience of 600 people,
16 which was 105 or 10 Local Enforcement Agencies and another
17 500 facility operators and we got a lot of feedback. I think
18 that the final product of the report reflects the input that
19 was made through the whole process.

20 BOARD MEMBER BEAUTROW: Was Selby Fermer, that woman
21 that wore the felt hat that came to the meetings about the
22 City of Sacramento --

23 BOARD MEMBER STEVENS: It was Sacramento. She was
24 really quite well -- or is quite well-versed at this
25 particular point and certainly a lot more appreciative of the

1 difficulties and the complexities.

2 CHAIRMAN ROODZANT: Which reminds me, Mr. Counsel.
3 What would you consider in the terminology "vested interest"?
4 Somebody who had a financial interest in it, business
5 interest?

6 MR. CONHEIM: I would construe that to be an
7 interest that is established or solidified in property or by
8 contract, by certain conditions occurring in contract. But
9 in a more technical -- I would use it in a technical sense.
10 If you were a title holder in property or if you had a
11 contract with an option and the option passed and you elected
12 it.

13 CHAIRMAN ROODZANT: Thank you.

14 Any further questions or discussion on this issue of
15 significant change?

16 EXECUTIVE OFFICER EOWAN: We'll be happy to put that
17 on the agenda then for the May meeting.

18 CHAIRMAN ROODZANT: Thank you.

19 Item 8, Consideration of the Approval of the Report
20 to the Legislature "Waste-to-Energy Update 1987".

21 MR. IWAHIRO: Mr. Chairman, every year we're
22 required to put out an annual report on the waste-to-energy
23 status and this is that particular time. So, we are asking
24 the Board to approve the report which is contained in the
25 packet and we've titled "Waste-to-Energy Update 1987".

1 Primarily, we have three areas in here that are
2 covered. One is that we have surveyed a number of projects
3 to see where they are at -- 33 to be exact. Also, we have
4 included in our report the status of landfill gas recovery
5 systems. There are about 80 of those projects. Finally, one
6 section we also include is the changing or the current
7 attitude about waste-to-energy in California.

8 Martha Gildart is the principal author of this
9 report. There are others that have contributed to it, too,
10 but she is the principal author. She will give us a summary
11 of the report.

12 MS. GILDART: Good afternoon, Mr. Chairman, members
13 of the Board.

14 CHAIRMAN ROODZANT: Good afternoon.

15 MS. GILDART: As Mr. Iwahiro said, we're submitting
16 to you the draft version of the 1987 update on
17 waste-to-energy in California. For the report we surveyed 33
18 projects in California, 29 of which we have included in the
19 report as being active. Now, that means that they're not yet
20 dead in the water. They've had some progress, some
21 significant change. Some of the projects that were included
22 in last year's report --

23 CHAIRMAN ROODZANT: I'm sorry, how many?

24 MS. GILDART: Thirty-three were surveyed and 29 have
25 been included in the tables and in the studies.

1 (Thereupon a short discussion was held off the
2 record.)

3 MS. GILDART: We surveyed 33 projects and 29 of them
4 are included in the report. Since last year about four
5 projects have been dropped in that nothing has happened, no
6 one seems to know they've still been left on the list. If
7 you're curious, those projects are on I think it's page 4 of
8 the report where we say City of San Jose, County of Marin,
9 County of Santa Cruz and the North West Riverside Projects.
10 Those are the ones that were dropped from last year's report.
11 Nothing has happened. You can't find anyone who will claim
12 knowledge on them. You telephone them up and people say, we
13 don't know about them.

14 We have added to the report, as Herb said, a section
15 on landfill gas projects; which are the projects that have
16 been instituted at existing landfills to capture the gas
17 generated in the landfills. There are about 80 projects that
18 are either in operation or under development.

19 I think an important change to the report is in the
20 last section under "Changing Policy". It reflects changes in
21 the attitude that the state and Legislature have shown
22 towards waste-to-energy technology.

23 To summarize some of the findings in the report; out
24 of the project surveyed, 13 of them are less than 750 tons
25 per day in capacity. There are seven between 800 and 1,600

1 tons per day and eight of them over 1,600 tons per day. So,
2 it looks as though the tendency is to go toward the smaller
3 sized projects.

4 Out of those projects, about 18 are mass burn, six
5 are refuse derived fuel. We have several projects who still
6 have not selected the final design or capacity. Thirteen of
7 the projects are to be privately owned, many of them
8 privately operated, four are public entities and three are
9 publically owned.

10 Twenty-one projects will generate less than 50
11 megawatts. The 50 megawatt figure is significant because
12 that is the cut-off for the California Energy Commission
13 jurisdictional limit. They site and review any project that
14 generates more than 50 megawatts of electricity. There are
15 four projects that will go through that CEC siting phase.

16 We've got some slides here if I can get the slide
17 projector turned on. One section of the report is entitled
18 "Project Report Card" and it follows nine projects that are
19 of significance.

20 --oOo--

21 The first project here is the Commerce
22 Refuse-to-Energy; which, as we all saw two months ago, is now
23 going through shakedown operation. It is in Los Angeles
24 County, City of Commerce. It's a 300-ton-per-day mass burn.

25 The new computer system, word processor, I've not

1 been able to figure out how to get a dollar sign to show up
2 in the large print. So, where is says 14.84, that's dollars.
3 \$14 a ton is the tip fee that they're going to be charging.

4 BOARD MEMBER STEVENS: Is that based on new rate
5 schedules or the old rate schedules?

6 MS. GILDART: This is as we surveyed as of December
7 '86. So, there have been some changes to some of these
8 projects in the last four months which we chose to not
9 include since we're trying to focus on last year's changes.
10 So, I'm sorry. I don't know whether that would be
11 yes or no to your question.

12 BOARD MEMBER STEVENS: Well, no, they hadn't
13 announced the tipping fees at the Sanitation District at that
14 time.

15 MS. GILDART: This is what we got. We mailed out
16 survey forms showing the information we had on the projects
17 and then we called up the contact person to go over point by
18 point by phone each of the items on our survey. This is the
19 information we were given by the project contact as of
20 December.

21 It's planning to generate 11 megawatts and it hopes
22 to get about ten cents per kilowatt hour. That's from the
23 Southern California Edison Electric Company.

24 It has a fairly comprehensive air pollution control
25 system, thermal deNox, dry scrubber and baghouse.

1 --oOo--

2 The Southeast Resource Recovery Facility, which is
3 also in Los Angeles County and is currently under
4 construction, is a larger facility. It's a 900-ton-per-day
5 facility and it's planning to charge a \$16-per-ton tip fee.
6 You can see the rest of the information on the slide, if
7 anyone has questions. Otherwise I'll just go through these
8 quickly.

9 --oOo--

10 Next facility is the Stanislaus waste-to-energy
11 facility in Modesto. It is the first facility located in the
12 Central Valley and its permitting process is one of the few
13 that went through fairly smoothly.

14 BOARD MEMBER BEAUTROW: By the way, when you're
15 driving on 5, you can see this from the highway there.
16 They've got a crane up. I thought first it was that tire
17 burning plant. Now I recognize it's near --

18 MS. GILDART: It is near the highway. I haven't
19 seen it.

20 BOARD MEMBER BEAUTROW: You can see it right from
21 the highway.

22 MS. GILDART: It's an 800-ton-per-day mass burn
23 facility. It's going to sell its electricity to PG&E. It
24 hasn't quite specified its tip fee. It's somewhere between
25 15 and \$20 per ton as of December.

1 --oOo--

2 The North County Resource Recovery Associates
3 facility is in San Diego County. It was one of the earlier
4 projects to start the permit phase, but it has had some
5 hold-ups. There have been some citizen challenges taking it
6 to court about amendments to the General Plan and at the
7 moment it's been slowed down. It's a 1,600-ton-per-day
8 facility. It's planning to charge about a \$10.56-per-ton tip
9 fee.

10 The thing that's of interest with this facility is
11 it's including a Sorrain-Cecchini recycling technology, which
12 is an Italian technology. It pulls out plastic, glass,
13 aluminum and it would be the first time it's used in this
14 country.

15 --oOo--

16 The next project is the Spadra Refuse-to-Energy
17 Project, also in Los Angeles County; 1,000 tons per day. It
18 plans to charge a \$7-per-ton tip fee. If this can actually
19 work out, it will be interesting to see. It hasn't yet
20 determined its air pollution control equipment. But being in
21 L.A., it will probably be thermal deNox, dry scrubber and
22 baghouse.

23 The Sanger Waste-to-Energy is an interesting plant
24 in that it has undergone a complete revision to its proposed
25 design. It currently is proposing a 500-ton-per-day - - -

1 facility, charging between a 22 and \$25-per-ton tip fee.
2 However, they're only going to generate seven megawatts of
3 electricity; which is a small amount of electricity for this
4 size facility.

5 It is also going to include a gas turbine, 40
6 megawatt gas-fired turbine, to generate electricity. It is
7 trying to develop an arrangement with a Japanese firm for the
8 technology for the design and construction. I guess the City
9 of Sanger has been quite involved with the Japanese firm. It
10 will be an interesting international agreement once they get
11 that together.

12 --oOo--

13 The San Diego Energy Recovery, or SANDER, project is
14 also here in the City of San Diego. It's going to be one of
15 the larger projects, 2,250 tons per day. Low tip fee, 12.80.
16 At the moment it's going through the Energy Commission
17 process because it generates 60 megawatts. It just started
18 out that process.

19 --oOo--

20 The Irwindale Waste-to-Energy is the most
21 controversial project to date. It started about three years
22 ago in the Energy Commission's siting process. It currently
23 has been under suspension. The Application for Certification
24 process has been under suspension for nearly a year now and
25 on the 23rd of this month it has been ordered to show cause

1 why the Energy Commission should not terminate the
2 proceedings. It is based on an inadequate development of air
3 pollution offsets and a rather weak showing on the waste
4 supply guarantees. So that that project does not look too
5 healthy at the moment.

6 --oOo--

7 The last project here is the Bay Area Resource
8 Recovery Facility, to be located in Redwood City. It's a
9 3,000-ton-per-day -- that says mass burn there, but they're
10 also considering going to refuse derived fuel. It's just
11 started out. It's also going through the Energy Commission
12 process.

13 That's it for the significant projects.

14 --oOo--

15 We get now into the policy attitude to show how the
16 state and its supporting legislation and regulations have
17 changed over the years.

18 If you first look --

19 BOARD MEMBER BEAUTROW: Can I make a comment?

20 VICE CHAIRMAN MOSCONE: Phil.

21 BOARD MEMBER BEAUTROW: Going back particularly to
22 this table that's in the report on page 5 on the ones you're
23 talking about. When we discussed this waste-to-energy issue
24 some time ago, we ranked the projects like A, B, C or
25 something like that. What I see up on the screen and what I

1 see in here, some of these haven't the faintest hope of ever
2 proceeding. Yet they're all put in the same place without
3 qualifications.

4 I would suggest that somehow or other we go back and
5 rank these A as the ones that are underway, B as the ones
6 that are nearly underway and C as the ones that are
7 prospective or something.

8 See, Martha, when you said the most controversial is
9 Irwindale, don't forget that we're in San Diego and the most
10 controversial one here isn't Irwindale, it's SANDER. Things
11 like that.

12 So, some of the ones that you put up there -- you've
13 got Commerce, which is underway, and SANDER, which isn't
14 underway, all in the same -- you know, they ought to be put
15 in perspective. That's all I'm saying.

16 EXECUTIVE OFFICER EOWAN: We'll be happy to do that.
17 Thank you.

18 VICE CHAIRMAN MOSCONE: Some of this has got me a
19 little confused as I was going through it. On page 5 you
20 have all of the projects listed and the design and all of
21 that.

22 On page 6 on the left you've got a lot of numbers
23 and a lot of open space. This goes on for page 6 and page 7
24 is not bad, page 8. I can't understand. You're quoting a
25 lot of numbers here, but nothing else.

1 MS. GILDART: The set-up of the tables,
2 unfortunately, doesn't correlate with the way the
3 reproduction is done for your Board packet. You have it up
4 page to page like top to bottom where you flip it over.
5 These tables are set up to be in a booklet form so they'll be
6 on facing tables.

7 So, page 5 and 6 is one table. Page 7 and 8 is a
8 second table and page 9 and 10. I'm sorry. It's just the
9 way the reproduction is done. There wasn't any way we could
10 avoid that.

11 The idea is that we wanted to get under the
12 different table headings all the information where you could
13 see it at once.

14 One of the drawbacks of last year's report was you
15 had to flip a lot of pages because the tables got broken up
16 just due to the printing over more than one page. So, in
17 your Board packet it's not a very easy table to read.

18 BOARD MEMBER STEVENS: They can't print two up and
19 fold it over or scotch tape it together?

20 MS. GILDART: I'm sorry. But the idea is that 5 and
21 6 is one table, facing pages.

22 If there are other comments on the information
23 included, we'd be happy to take that into account. We can
24 split some up according to the ranking system that Mr.
25 Beautrow suggested.

1 Are there any other questions on the tables?

2 The last section of the report, "Changing Policy",
3 starts out with a discussion of the energy picture, the
4 background on how the Public Utility Regulatory Policy Act
5 was passed in 1978 which established the requirement that
6 utilities purchase electricity generated by a small power
7 producer including waste-to-energy facilities.

8 This Act established the standard offer No. 4, which
9 is administered by the PUC, the Public Utilities Commission.
10 It established what's called the avoided cost, which was a
11 fairly lucrative pricing rate for the seller of electricity
12 and attracted a lot of proponents to cogeneration and
13 waste-to-energy.

14 However, due to an over-subscription to standard
15 offer No. 4, the PUC has called a halt to that and it's now
16 under consideration as to how they want to establish rates in
17 the future. It looks as though it will be a lower rate.

18 On top of that, the Energy Commission in its
19 Biennial Report, Electricity Report VI, has predicted that
20 there will be an oversupply of small power producer
21 facilities in California in the next several years up to the
22 mid-90's and is using that in its siting policies. It is no
23 longer in the phase of encouraging more small power
24 production and will probably reflect negatively on prices
25 waste-to-energy projects can get for electricity.

--oOo--

1
2 The next area of policy that's gone through quite a
3 bit of change is in the air quality realm. Initially back --
4 I think it was in 1979 -- legislation was passed which
5 provided assistance in obtaining offsets to certain power
6 producers. That is, a district was to provide offsets, air
7 pollution offsets, for projects which could not supply their
8 own under the new source review rules of the district.

9 Since then there's been quite a bit of change. I
10 think some of you have followed it with the SB 166 bill,
11 Rosenthal, and AB 3989, Sher. The EPA came out in opposition
12 to the concept of a district providing offset assistance if
13 that district was a non-attainment area for one of the
14 national ambient air quality standards. It also disapproved
15 of the use of utility offset credits, which were an air
16 pollution credit given to a small power producer selling
17 electricity to utilities with the theory that a utility has
18 cut down on its production and, therefore, cut down on its
19 emissions.

20 So, both of those concepts were challenged by the
21 EPA and SB 166 attempted to reconcile the differences between
22 the state law and the federal requirements and it developed
23 criteria where offset assistance could only be provided for
24 attainment pollutants and that utility credits were only
25 given to -- 90 percent of utility credits were given to

1 facilities that are cleaner than a utility.

2 Further, in the last year AB 3989 brought to the
3 fore the concerns about toxic air contaminants. The Air
4 Resources Board and the Department of Health Services are
5 currently going through a procedure listing certain
6 substances as toxic air contaminants and AB 3989 is an
7 attempt to reflect those substances and how they should be
8 controlled since there exists the possibility of them being
9 emitted by waste-to-energy facilities.

10 AB 3989 requires that any waste-to-energy facility
11 comply with the control measures adopted by a district for
12 toxic air contaminants even if those measures are adopted
13 after the air quality permit has been granted to the
14 waste-to-energy facility. It requires continuous monitoring
15 and it requires the facility, the project proponent, to
16 conduct a health risk assessment. So, these are going to
17 make permitting under the air quality regs quite a bit more
18 stringent for waste-to-energy.

19 --oOo--

20 The next area that has changed is in the ash
21 management and how the state regards the ash.

22 Originally, under SB 2292 a non-hazardous
23 classification was established for certain facilities for
24 their ash, depending upon the kinds of waste they burn and
25 what they could show as the likely components of their ash.

1 However, under the Department of Health Services' waste
2 extraction test and its use of the soluble threshold limit
3 concentration and the total threshold limit concentration, it
4 is likely that ash from waste-to-energy facilities or at
5 least the fly ash may fail those tests.

6 At the moment the Waste Board, I think you will
7 recall, is engaged at the Lassen College facility in
8 researching a treatment process which would render ash
9 classified as hazardous to non-hazardous.

10 One of the things that we have done in this survey
11 was to ask many of these waste-to-energy facilities what kind
12 of contingency plans they have for ash handling if indeed
13 their ash was given a hazardous classification. I'm afraid
14 to say they are not very well thought-out plans at the
15 moment.

16 --oOo--

17 The last area under "Changing Policy" is tax reform.
18 Once again, there are dollar signs missing here.

19 The two major changes in the tax reform of 1986 is
20 that the cap on industrial development bonds has been
21 lowered. It's a progressive rate. I guess as of 1984 it was
22 \$150 per capita to be issued by an entity. In 1986 that had
23 dropped to \$75 per capita and in 1987 it will be \$50 per
24 capita.

25 The Tax Reform Act also eliminates the investment

1 tax credit for private ownership, which is likely to make the
2 private ownership public operation setup less popular and
3 there's a question as to whether more facilities will go into
4 public ownership now.

5 That's about it for the report. Do you have any
6 questions?

7 BOARD MEMBER ARAKALIAN: One little one. It's way
8 back a long time ago. I'm just curious. When you had these
9 tipping fees listed in here -- I know they're all guesswork
10 on all these. These people give you guesswork. The only one
11 who isn't guesswork is wrong. On Commerce, it's the only one
12 that operates. They started off at \$10. I spoke to them
13 either a week or two ago. They were raising it to 16.

14 EXECUTIVE OFFICER EOWAN: As she pointed out, we
15 surveyed them as --

16 BOARD MEMBER ARAKALIAN: This was a guesstimate?

17 EXECUTIVE OFFICER EOWAN: No, we surveyed all of
18 these project proponents as of December '86. This is a 1986
19 report due to the Legislature. So, we purposely didn't give
20 them an '87 number. We gave them an '86 number. That's what
21 they said it was in '86. We understand it's now larger.

22 BOARD MEMBER ARAKALIAN: Well, none of these are
23 accurate. They're just guesstimating. The one that is real,
24 that number should be in because it gives us some kind of a
25 guideline and then even an asterisk saying that this is a

1 real number, not a guesstimate.

2 They were \$10 only because they weren't -- they were
3 working spasmodically, off and on. So, they gave a break to
4 the haulers because of the time loss of coming there and
5 finding out they weren't open and stuff.

6 Now that they're running on a somewhat smooth
7 schedule -- I talked with Mike a week or two ago. They're in
8 the process of sending out letters to raise it to 16.
9 Whether it has taken place yet, I don't know. If it hasn't,
10 it will be.

11 By the way, if anybody's interested, he said the
12 place is now running very smoothly. I forget how many days
13 he said they've been running -- 24 -- without a stop.
14 They're getting to where they're getting confidence in it and
15 it's running very, very profitably.

16 Their air emissions and their ash has not been
17 tested by any agencies yet, but they on their own are finding
18 it way better than the criteria they should meet. So, for
19 whatever it's worth, we couldn't get a better report. I was
20 just talking to Mike last week.

21 VICE CHAIRMAN MOSCONE: Mr. Gallagher.

22 BOARD MEMBER GALLAGHER: I'd like to compliment you
23 on a very comprehensive report and the very nice way you
24 articulated it.

25 MS. GILDART: Thank you.

1 BOARD MEMBER GALLAGHER: I think it's an excellent
2 report. I think it's above the level that the Legislature
3 could find anything to complain about.

4 MS. GILDART: Thank you.

5 BOARD MEMBER GALLAGHER: I have only two comments.
6 I wish we could find a way to change it from waste-to-energy,
7 because I think that's a very misleading kind of a title. If
8 there was some way we could sort of change it to waste
9 reduction with the potential to create energy, I think it
10 would better express what the hell it is we're trying to
11 convey.

12 I don't know if that can be done. It may be too
13 late in the ballgame to do it. I suggest we all work toward
14 that end.

15 The other thing is can't we find some kind of an
16 acronym for the BARRF program?

17 EXECUTIVE OFFICER EOWAN: They chose it.

18 BOARD MEMBER GALLAGHER: That one gets me. Every
19 time I look at the BARRF program, I start turning my throat.

20 Otherwise I think it was an outstanding report.

21 VICE CHAIRMAN MOSCONE: Martha, in the conclusions.
22 I'm not an English major, I'm not a writer. But that first
23 sentence got me.

24 First of all, I wanted to tell you that as far as
25 I'm concerned on a waste plant, I agree entirely with Mr.

1 Gallagher. They don't have to be waste-to-energy. They're
2 just a waste processing plant. Our main problem is to get
3 rid of that waste.

4 In this first sentence "Waste-to-energy technology
5 was at one time seen ..." and down on the third paragraph --
6 I don't like that "at one time".

7 In the third paragraph you start by saying "The
8 Waste Management Board believes that WTE has a place in the
9 State's waste management program." It looks to me like in
10 that first sentence we've given up on waste-to-energy.

11 MS. GILDART: That sentence, I believe, is trying to
12 reflect the change in the state's policy; not necessarily the
13 Board's. That back in the late 70's people supported, the
14 Legislature supported, the waste-to-energy concept and now
15 appear to have changed that position.

16 VICE CHAIRMAN MOSCONE: This is only my observation.
17 This last paragraph, it seems to me there's a lot of
18 significant information in that one paragraph. In my mind I
19 thought that it would be more effective if this one paragraph
20 were broken into several paragraphs. Because I think they do
21 talk about -- some of the sentences do talk about different
22 things.

23 MS. GILDART: Do you want more information on those
24 or just a different structure?

25 VICE CHAIRMAN MOSCONE: I've always had the feeling

1 that if you broke down paragraphs or you had pretty much
2 different types of information, that they were more effective
3 than trying to put them all into one paragraph and trying to
4 remember what's in that whole paragraph.

5 MS. GILDART: We can rearrange that.

6 VICE CHAIRMAN MOSCONE: That's just my personal
7 observation. I may be entirely wrong. But at least I find
8 stuff is more effective -- if, for example, you want to make
9 a point, even if it's one sentence, that you comprise it as a
10 paragraph. To me it's almost more effective than if it were
11 included in a paragraph of five to ten lines.

12 MS. GILDART: I'm concerned with your first comment
13 about where I use the phrase "waste-to-energy technology was
14 at one time seen as" and I list some positive attitudes. Do
15 you feel that puts too much opposition between historically
16 and --

17 VICE CHAIRMAN MOSCONE: Well, when I read that "at
18 one time", I said, what the hell, have we given up on it?

19 MS. GILDART: That's sort of the feeling we're
20 trying to show as maybe what the state has done without --
21 the Legislature. We have been faced with a whole pile of
22 bills -- I think Jo-Ellen will be going over them -- just in
23 this legislative session which would greatly restrict the
24 ability to develop waste-to-energy.

25 They're not covered in this report, since they were

1 1987 bills. But one of the things we thought this would be a
2 good vehicle to do is show the Legislature, hey, this is what
3 you said in the past, this is sort of what's happening now
4 and is it what you want.

5 BOARD MEMBER GALLAGHER: You probably could just say
6 back in 1970 so and so when you passed these bills
7 waste-to-energy was considered to be a viable alternative;
8 but based upon current experience, it looks like it's fallen
9 out of favor with the Legislature. Or something like that.
10 That would cover the point John's making.

11 I agree that with the level of the Legislature
12 today, I think we ought to keep it damn simple; one-line
13 statements.

14 (Laughter.)

15 CHAIRMAN ROODZANT: I think you may be begging the
16 question. I think the Legislature right now has given us a
17 mandate and we're obligated under that mandate to pursue
18 waste-to-energy. By raising that issue in that way, you're
19 suggesting that maybe the Legislature should revisit and
20 change their direction to us.

21 BOARD MEMBER BEAUTROW: Mr. Chairman.

22 CHAIRMAN ROODZANT: Mr. Beautrow.

23 BOARD MEMBER BEAUTROW: I've got a comment again,
24 Martha, about the fees. There's one that I'm familiar with,
25 LANCER. You've got a range of 25 to \$40 a ton. The only

1 numbers I've ever seen on that -- I think it's on page 9 --
2 was around \$43, which I've always felt was probably in the
3 real realm of reasonability for these kinds of plants of that
4 size. Then there's one in Sacramento.

5 Whenever you put a range of 25 to \$40 a ton, what
6 does that tell you? I think you'd better stick with
7 something or at least it's been 40 to 45, but not 25 to 40.

8 MS. GILDART: We do have a disclaimer on page 4 that
9 says:

10 "The information presented here was
11 obtained through a survey of
12 project proponents. The operation
13 dates, design data, permit status,
14 etc. are anticipated or planned by
15 the proponent and do not represent
16 the view of the Board."

17 BOARD MEMBER BEAUTROW: That's like many things that
18 you see a disclaimer. I'm just pointing out that it --

19 MS. GILDART: There were a lot of inconsistencies.

20 EXECUTIVE OFFICER EOWAN: You need to also be
21 careful with how you present that data so that you have a
22 consistent methodology for putting it in there. Particularly
23 something that sensitive.

24 If we use our guesstimate on one, we should use our
25 guesstimate on all. If we use a survey on one, we should use

1 a survery on all. Otherwise it can be construed that it's
2 our opinion that one is better than the other or cheaper than
3 the other or more expensive than the other.

4 BOARD MEMBER BEAUTROW: You want to be consistently
5 vague, right?

6 EXECUTIVE OFFICER EOWAN: No, I don't want to be
7 consistently vague.

8 BOARD MEMBER BEAUTROW: Well, I mean if you'll do
9 what I'm suggesting about putting it into the categories,
10 then you'll have a pretty good fix on Category A and you'll
11 have somewhat of a fix on B and you won't have any on C.
12 That's, I guess, what I'm saying. Maybe that's the way it
13 will shake it out. Just to be vague on everything to be
14 consistent, I can't go for that.

15 BOARD MEMBER CALLOWAY: Mr. Chairman.

16 CHAIRMAN ROODZANT: Mr. Calloway.

17 BOARD MEMBER CALLOWAY: Maybe I can offer a
18 suggestion. If you want it to be something positive, Phil,
19 maybe -- I offer a suggestion to Martha.

20 When you send your report over to the legislators
21 who are maybe giving up on waste-to-energy, maybe you should
22 include along with your report the news releases on this
23 Islip, New York problem. They have, I think, about some
24 30,000 tons of garbage down in New Orleans on the barge or
25 something. Maybe if you sent that over to them, that might

1 make them think that we here in California might have that
2 same problem one of these days.

3 I don't think New York would be very happy in
4 accepting our garbage. I don't think we'd be very happy
5 sending it all that way to New York. It does get a little
6 expensive, Air Express being what it is today.

7 MS. GILDART: New Jersey just enacted their
8 mandatory recycling law and that's something that the
9 California Legislature is ready to grab hold of.

10 BOARD MEMBER CALLOWAY: New Jersey. You notice New
11 Jersey says, okay, you will separate all of your garbage and
12 you don't have a choice. You do it. So, maybe that's what
13 we're going to have to do here in California one of these
14 days if we don't do a little planning ahead of time.

15 CHAIRMAN ROODZANT: You folks send the water, we'll
16 send the garbage.

17 BOARD MEMBER CALLOWAY: There you go. You got more
18 water than you know what to do with now.

19 CHAIRMAN ROODZANT: Any other comments or questions
20 on the waste-to-energy report?

21 A motion would be in order to approve the report
22 with the requested changes.

23 BOARD MEMBER BEAUTROW: Move.

24 VICE CHAIRMAN MOSCONE: Second.

25 CHAIRMAN ROODZANT: It's been moved and seconded to

1 approve the report to the Legislature on Waste-to Energy
2 Update 1987 with the requested changes. All those in favor
3 say aye.

4 (Ayes.)

5 CHAIRMAN ROODZANT: Opposed?

6 Carried and so ordered.

7 Item 10, Review of the Department of Conservation
8 Regulations for the Implementation of Assembly Bill 2020.

9 I would at the outset like you to know that the
10 Director of the Department of Conservation is by way of
11 letter requesting the opportunity to appear before the Board
12 and has been informed that he has that availability at our
13 next meeting in May.

14 Mr. Larson.

15 MR. LARSON: Mr. Chairman and members, George Larson
16 of the staff.

17 This is an information item to update the Board on
18 the progress of the Department of Conservation and the
19 implementation of AB 2020, the container legislation.

20 The regulations to implement the bill reflects
21 pretty much the structure of the entire bill, though on a
22 very tight timeframe. So, the Department of Conservation has
23 been very busy of late distributing draft copies of
24 regulations for review in accordance with the procedures set
25 down by the Office of Administrative Law.

1 In your packet today regulations concerning the
2 processing fee and accounting and reporting procedure
3 regulations are provided. Also, in the interim since this
4 packet was printed and distributed, we have also received
5 draft regulations on what's called the certification process,
6 which is how individual recycling centers who participate in
7 the program will be certified by the Department of
8 Conservation.

9 I have brought copies of those for the Board's
10 review here. But I thought since you already had sufficient
11 quantities of paperwork in front of you, it might be an
12 option to mail them to you under separate cover at a later
13 date.

14 In review of the regulations, since AB 2020 is a
15 very specifically and very tightly structured law, it's been
16 the staff review of these proposed regulations that there is
17 not a direct or a dramatic impact on the programs and
18 activities of the California Waste Management Board.

19 The containers to be impacted by the law represent
20 such a small portion of the entire waste stream and because
21 of the complex accounting and tracking and accountability
22 procedures to be set up for payment and collection of this
23 money and payment of the money out to processors and
24 individual recyclers, the Department of Conservation is not
25 really delving into issues other than what's required by AB

1 2020.

2 As a follow-up to this to put some perspective as to
3 how our recycling program may eventually be affected. In
4 earlier discussions we were talking about other activities
5 such as litter studies, et cetera that they may propose to
6 do. I do know for a fact that the Department of Conservation
7 is entertaining all types of different activities related to
8 recycling and litter control and they will have the money to
9 do these things. So, it's going to be in the best interests
10 of the Board, I believe, to closely monitor the activities
11 and to be aware of what programs they may develop that we may
12 be able to work in concert with them or to attempt to assert
13 our statutory authority over.

14 As an added item of interest, the day before
15 yesterday I attended the first meeting of the Advisory
16 Council, which is a 12-member council established under 2020
17 to assist the Department of Conservation in the
18 implementation of the law. Depending on how much detail
19 you'd like to hear today, I'd be glad to relate some of the
20 experience of that.

21 Would you like me to go into that, Mr. Moscone?

22 VICE CHAIRMAN MOSCONE: George, I was reading all of
23 this stuff. Personally, I wish the hell they had written
24 some of this stuff in English or whether they tried to find
25 all of the big words that they could find and screw up all of

1 these recyclers and everything else. I just gave up on it.
2 I couldn't understand what the hell they were talking about.

3 EXECUTIVE OFFICER EOWAN: Mr. Moscone, I want to
4 make a note that some of our former staff were responsible
5 for that.

6 VICE CHAIRMAN MOSCONE: I don't know.

7 BOARD MEMBER CALLOWAY: Did you say former?

8 EXECUTIVE OFFICER EOWAN: Former.

9 VICE CHAIRMAN MOSCONE: I don't think that had
10 anything to do with putting some kinds of things together,
11 didn't do what was done in here. I had one hell of a time
12 trying to determine what the hell they were getting at.

13 MR. LARSON: Mr. Moscone, your point is well-taken.
14 It's a very, very complex law. If Senate Bill 650 and the
15 legacy or the experience we had with that activity are any
16 indication, I believe that 2020 is a more complex by some
17 exponent that I haven't determined yet. But it's going to be
18 interesting to watch the implementation of this law and to be
19 able to measure its successes and failures.

20 But it's a terribly complex law and I can't see how
21 people whose prime motivation is recycling are going to be
22 able to understand it. It's going to take some years.

23 VICE CHAIRMAN MOSCONE: I think after reading all of
24 this and if I were interested in getting into it, I think it
25 would turn me off and I'd say forget it. I've got to get an

1 attorney or more to understand what they're trying to say.

2 MR. LARSON: If there are no further questions, what
3 we'd like to do is just to provide the Board with the
4 regulations as they are being developed to give you the
5 opportunity to review them.

6 EXECUTIVE OFFICER EOWAN: We're just kind of
7 charting new territory and we were unsure of what level of
8 impact these regulations would have on our Board. We wanted
9 to kind of get your opinion on these things.

10 If you want us to continue to apprise you of how
11 they're proceeding with developing these regulations, we
12 will. Or we can do it on a kind of exception basis when we
13 find something of particular interest. It's really kind of
14 up to you how you want to proceed.

15 VICE CHAIRMAN MOSCONE: Personally, I'd like to have
16 some information in plain language as to what they're trying
17 to do, what they're going to do. I tried to read 2020 when
18 it came out and I just gave up on it then. Then I went
19 through some of this stuff.

20 MR. LARSON: Certainly not the best living expert on
21 the subject, I would be glad to--

22 EXECUTIVE OFFICER EOWAN: If you really want
23 somebody to get in and explain these things, we can request
24 that they send somebody over to do that just as we would with
25 any other department. You can make that request to the

BOARD MEMBERS PRESENT

Mr. Sherman E. Roodzant, Chairman
Mr. John P. Moscone, Vice-Chairman
Mr. Sam Arakalian
Mr. Phillip A. Beautrow
Mr. James W. Calloway
Mr. John E. Gallagher
Mr. Richard P. Stevens

BOARD MEMBERS ABSENT

Ms. Ginger Bremberg
Mr. Les Brown

STAFF PRESENT

Mr. George T. Eowan, Chief Executive Officer
Mr. Herbert Iwahiro, Chief Deputy Executive Officer
Mr. Alan A. Oldall, Deputy Executive Officer
Mr. Robert F. Conheim, General Counsel
Ms. Jo-Ellen Jackson, Director of Legislation and Public Affairs
Mr. George Larson, Manager of Planning and Resource Conservation and Development
Ms. Carole Brow, Resource Conservation Division
Mr. Don Dier, Standards and Regulations Division
Ms. Martha Gildart, Advanced Technologies Division
Ms. Sue O'Leary, Advanced Technologies Division

STAFF PRESENT (Continued)

Ms. Marilyn J. Morgan, Board Secretary

Ms. Kay Wilson, Secretary

1 Director when he comes in May.

2 BOARD MEMBER BEAUTROW: I think we need an overview
3 of what's going on. If you could just characterize what's
4 happening.

5 EXECUTIVE OFFICER EOWAN: You'll get that from the
6 Director in May.

7 BOARD MEMBER BEAUTROW: Who's that?

8 EXECUTIVE OFFICER EOWAN: Who's the Director? Randy
9 Ward.

10 MR. LARSON: Thank you, Mr. Chairman, members.

11 CHAIRMAN ROODZANT: Item 11, Presentation of Draft
12 Regulations on Financial Assurance During Operation.

13 MR. CONHEIM: Mr. Chairman and members, we're
14 beginning today to attempt to comply with one of the Calderon
15 bills of 1984 which required that the Board adopt regulations
16 requiring disposal facility operators to provide assurance of
17 adequate financial ability to respond to personal injury
18 claims resulting from the operations of the disposal facility
19 which occurred before closure.

20 It's a very limited bill that Assemblyman Calderon
21 wrote. The requirement to provide financial assurances is
22 limited to being required of operators and only to respond
23 to -- the term of art is personal injury claims resulting
24 from operations.

25 We are behind schedule in adopting these

1 regulations. They were due to be adopted by January 1, 1986.
2 The Board staff has twice studied the matter and tentatively
3 drafted regulations, one set of which and part of another
4 appear here today before you.

5 The efforts came at a time when we were also seeing
6 some developing case law that indicated that a comprehensive
7 general liability insurance that was available to operators
8 of at least hazardous waste facilities was beginning to
9 exclude coverage for pollution damage. We got a little
10 frustrated because environmental impairment insurance was
11 rapidly becoming unavailable at all.

12 So, at one point we delayed our effort waiting for
13 the insurance market to stabilize trying to get some better
14 information. But the time has come when these regulations
15 have to be seen as a priority, because we have to comply with
16 them.

17 The regulations that we've presented to you today,
18 the major part of the regulations that are included as
19 Attachment A on page 185 of your Board packet, were drafted
20 by Neal Johnson. After studying the issue for quite a few
21 weeks, he based his regulations on the Department of Health
22 Services' model of regulations already adopted. There didn't
23 seem to be a better one out there.

24 One of the salient points of these regulations is
25 that they are based on the use of insurance as the primary

1 mechanism for providing these assurances and with coverage
2 also demonstratable with a number of other mechanisms like
3 net worth, statements of assets, working capital and bond
4 ratings. The coverage limits set are the same as though
5 established in DOHS regulations. There was no empirical
6 basis to set different limits for non-hazardous waste.

7 I would hope that in a workshop setting, if we
8 actually put these out and let people take a look at them --
9 that is, in an informal workshop setting -- that maybe we'd
10 get some input that would allow us to set proper levels of
11 coverage. Because we simply don't know. We had some pretty
12 good people studying them and making surveys and we still
13 just don't know what are the proper limits.

14 We've also looked at other states' regulations and
15 they run all over the gamut -- high, low, middle levels of
16 coverage.

17 There's another way to approach this that
18 Hal Gjermann used when he was studying the issue and it's a
19 point system based on a number of rateable criteria to
20 determine what level of financial assurances a particular
21 facility should be required. That's in your Board packet as
22 Attachment B on page 192.

23 That has a certain compelling logic to it. Again, I
24 would hope that if we could constitute a workshop or a
25 workshop based on selection of perhaps a committee by the

1 Chairman, that maybe we could actually tackle this problem
2 and come up with some more realistic limits.

3 I'm serving as the technician today -- that is, the
4 the regulation drafting technician -- without any particular
5 experience in the real world on operating landfills. I can
6 crunch regulations as well or better than the next guy. But
7 it fell to my lot to present what we had and what I estimated
8 at least had some merit so that I could start a discussion
9 with you and ask for your direction with my suggestion that
10 we proceed by constituting at least, say, two workshops --
11 one in Northern California, one in Southern California -- in
12 which we would discuss this issue, ask for people to sign up
13 for the workshops, send them the material and get some ideas
14 and then go back to redraft.

15 That is before we would embark on a formal Office of
16 Administrative Law process that the Department of
17 Conservation has now embarked on with their regulations. I'm
18 talking about a two or three-stage process in which we use
19 informal Board processes to get to a point where we had some
20 confidence in regulations which we absolutely have to adopt.
21 This isn't just an expression of Board policy, something
22 nice, something we ought to do. We have to adopt these or
23 else go to the Legislature and say, rescind this requirement.

24 I mention that only because I think that the
25 Calderon bill has some flaws in it. It certainly only

1 addresses a small portion of environmental protection and
2 liability of a public problem. It makes it the requirement
3 of landfill operators and certainly not landowners. It
4 doesn't really take into account the law of joint and several
5 liability, which a landowner is going to be sued as well as a
6 landfill operator or owner.

7 So, the bill is limited and what we're doing is
8 we're required to adopt implementing regulations. That is,
9 implementing a law that probably wasn't the best law to
10 address this problem.

11 The regulations that I've included as Attachment A
12 beginning on page 185 are fairly detailed, fairly
13 intertwined. Not quite as complex as the Department of
14 Conservation regulations, although by no means simple. They
15 have to be complex when you're dealing with financial
16 requirement.

17 They provide for liability requirements for sudden
18 and non-sudden accidents. Those are the terms that are kind
19 of used in the insurance industry and in the regulatory
20 climate for the types of effects from this type of operation.

21 The regulations go on to again discuss the major
22 basis of coverage of liability insurance and then provide on
23 page 186 the ability to have other types of coverages rather
24 than the purchase of insurance. Because I think we're going
25 to find that insurance is just not readily available. I'd be

1 curious for some comments from Mr. Stevens and other people
2 who have had operational experience as to what direction you
3 believe the law is going.

4 Then the regulations proceed on to state a period of
5 coverage requirement and what to do in the incapacity of
6 owners and operators or guarantors and then a set of
7 definitions.

8 That fairly covers what is minimally needed. Again,
9 I put these out to you as having looked at -- the staff
10 having studied it twice, two different approaches having been
11 drafted. I think it's a real difficult job, but I also don't
12 think it should be done in a vacuum.

13 I really recommend that with a basis of something
14 for workshop participants to read, that we ought to turn this
15 thing loose and let the industry, whoever is interested,
16 LEAs -- that we ought to have a workshop and get some data.
17 So far we have not really gone public with this concept or
18 our attempts to implement this bill.

19 What I'm looking for from you now is to open
20 discussion and get direction, agreement, disagreement with
21 this approach and tell us how to proceed; with the caveat
22 that we have to proceed in my opinion. We're long overdue.

23 CHAIRMAN ROODZANT: Mr. Beautrow.

24 BOARD MEMBER BEAUTROW: Was there any feedback that
25 relates to this that came out of that -- I think it was

1 CH2M-Hill that did that study for us. I realize that had to
2 do with closure. This is before closure. I mean, is there
3 information and recommendations that came out of that that
4 could be applicable here?

5 MR. CONHEIM: There is some information.

6 BOARD MEMBER BEAUTROW: Don't forget that. I mean,
7 we spent a --

8 MR. CONHEIM: In my file I've got the CH2M-Hill --
9 it wasn't CH, it was ICF. Some of their information is
10 useful, but it is in the context of a changing insurance
11 climate. We would definitely try and look at that
12 information and see whether it's current or not. But there
13 was some information.

14 CHAIRMAN ROODZANT: Mr. Gallagher.

15 BOARD MEMBER GALLAGHER: I'd be concerned about a
16 couple of things and I'd ask you a question, Mr. Conheim, in
17 regards to the liability insurance required under this law.

18 If you say it is not going to be available, is there
19 any provision in the law that I'm not aware of that would
20 require the state to have an assigned risk type of insurance
21 program such as they do in the automobile insurance industry?

22 MR. CONHEIM: None now. The Calderon bill was a
23 very simple bill that simply said provide assurances. We
24 knew at the time that the major mechanism that would be used
25 would be insurance. What frustrated us was the fact that

1 this was becoming rapidly unavailable.

2 What you're suggesting may be approach and as we go
3 through this drafting and as we get out to the public and we
4 experience what I think we will experience -- that is, an
5 outrage that we are imposing a requirement that I believe
6 will be difficult to comply with for landfill operators.

7 Now, I may be overestimating this. I'm setting a
8 context, because somebody's got to get out there and set some
9 context. What I think we may find is your suggestion turned
10 into somebody saying, you ought to have a legislative
11 proposal to flush out this law and make it a little better so
12 that in case one of these mechanisms is unavailable or in
13 case it's impossible to provide these assurances in a
14 normally productive way, that maybe there will be a
15 well-designed piece of legislation created.

16 BOARD MEMBER GALLAGHER: I'd be concerned and really
17 would worry that under the Workmen's Comp law on the matter
18 of serious and willful you cannot even be insured against it.
19 It must be a financial responsibility of the firm without
20 recourse to any insurance provider.

21 Now, God, I don't want us to get into that kind of a
22 situation. That might very well be the proposal that comes
23 out of this thing. That if insurance is not available, each
24 landfill operator will have to have the financial
25 responsibility capable of handling a claim of serious or

1 willful for personal injury sustained in the course of
2 operating that landfill.

3 MR. CONHEIM: I hope the trial lawyers don't read
4 this transcript. But I feel that we could also get to the
5 point where if landfill operators have to bear financial
6 responsibility without insurance, that ceilings of liability
7 be put in the law as well so that there will be no higher
8 responsibility, no higher duty than a certain cap.

9 BOARD MEMBER GALLAGHER: Deep pockets might take
10 care of some of that. I brought that up, Bob, only because I
11 believe as you do that we ought to somehow in public
12 hearings, symposiums or what have you try to get this thing
13 flushed out so that some unsuspecting landfill operator down
14 the line is not faced with that kind of thing and that if the
15 state thinks that it is such an important issue, that they do
16 provide some kind of insurance program that would allow an
17 operator to continue to operate on an assigned risk basis.

18 VICE CHAIRMAN MOSCONE: Mr. Chairman.

19 CHAIRMAN ROODZANT: Mr. Moscone.

20 VICE CHAIRMAN MOSCONE: I think it's very important
21 that you get everybody who has an interest or who might have
22 a problem with this to come together. I think you will find
23 and learn how some people are getting around their insurance
24 problem and all of that, whether it be through not just
25 bonding. That they go out and purchase bonds to back-up what

1 they may be liable for.

2 I think you mentioned some ways in this synopsis
3 here. But some of these companies through their insurance
4 company or bonding companies or whatever may have some
5 answers to some of these questions that we have.

6 MR. CONHEIM: There are a number of people, Mr.
7 Moscone, out there -- consultants, some lawyers I know in
8 D.C., the fellow that is the general counsel at NSWMA and
9 some other people there -- the general counsel for GRCDA --
10 who do have more information on this. I've talked with them
11 and there's a general aura of frustration. They've been
12 advising their clients, people like you -- and I know that
13 there are real-world solutions to these problems.

14 One of the things that I discovered in talking to as
15 many people as I could is that there's this incredible
16 perception in the insurance industry that everything is
17 hazardous. That just colors the whole thing.

18 So that, for instance, in the shredder waste and one
19 of the things I heard in terms of shredder waste, as well as
20 red bag waste, was that no matter whether the State of
21 California passes a law that says that it's not hazardous,
22 the insurance companies still say it's hazardous and it's a
23 violation of the terms of your current insurance contract.

24 Anyway, I appreciate your remark. I would like to
25 get that input rather than just guess at what it is.

1 CHAIRMAN ROODZANT: Mr. Stevens.

2 BOARD MEMBER STEVENS: I would certainly urge that
3 you get a panel of representatives of both the private
4 industry and government both, because the municipal
5 operations have the same liabilities that the private
6 operators have. They consistently indicate that they are
7 financially viable, but we all know that to be not the case.
8 They have as large, if not a larger, or greater difficulty in
9 securing insurance than the private sector does
10 principally -- and this might seem strange -- principally
11 because of responsibility. The responsibility amongst those
12 people who are responsible for municipal and
13 governmental-operated landfills is far weaker than the
14 responsibilities of privately-operated sites.

15 So, they have a great concern and should have the
16 same criteria apply. When you take some of these little --
17 well, we've seen that of the number of disposal facilities
18 that are on your hit list, if you will, probably 75 percent
19 of those are government-operated sites. So, I certainly
20 don't think we should foster any idea that they are not
21 included in this same financial assurance requirement.

22 The one thing that I do notice in several instances
23 here is you refer to certified public accountant comments, et
24 cetera. You don't really say that operators are required to
25 have certified financial statements. You refer to certified

1 public accountants who don't have to offer certified
2 financial statement.

3 I think you're going to have a great deal of
4 difficulty in trying to make it mandatory, as it is here in
5 some of these cases, where they do have to have certified
6 financial statements. I think you'd have a great deal of
7 difficulty in that. So, I think you ought to take that into
8 consideration.

9 The reference to the non-sudden accidents; that, of
10 course, is exactly what the EIL insurance is all about.
11 That's the one that just isn't available to anyone, from the
12 smallest to the largest. You saw the largest operator of
13 landfill sites, 2200 and some odd sites, is barefoot. I
14 mean, 2200 sites throughout the country. They're barefoot as
15 far as EIL is concerned.

16 MR. CONHEIM: The two latest cases that I read --
17 and I can't remember their names right now -- came down on
18 either side of that issue. One actually contorted its
19 reasoning to call non-sudden accidents sudden.

20 So, that issue is still in flux. It stabilized for
21 awhile several years ago and then there was a wave of new
22 cases that reached the appellate level within the last three
23 years.

24 BOARD MEMBER STEVENS: Relative to the state's
25 involvement in it is the alacrity with which they have jumped

1 at the various proposals in the ICF concept. I see no bond
2 issue, when we talked about a \$200 million bond issue,
3 floating all over the place. They're not anxious to
4 establish the necessary financial resources to guarantee any
5 long-term performance under these things.

6 But I would suggest a panel of five to seven of
7 these people at least to work directly in connection with
8 these financial assurances.

9 CHAIRMAN ROODZANT: Any objection?

10 Hearing none, so ordered.

11 Any further direction the staff would like today?
12 Any comments?

13 Hearing none, we'll have a break for about 15
14 minutes until 3:20.

15 (Thereupon a brief recess was taken.)

16 CHAIRMAN ROODZANT: Call the meeting back to order.

17 It's been brought to my attention the next item the
18 staff person won't be here until tomorrow. Is there any
19 objection to holding off the rest of the agenda until
20 tomorrow?

21 Hearing none, we'll recess until 9:00 a.m. tomorrow
22 morning.

23 (Thereupon the meeting of the California Waste
24 Management Board was recessed at 3:20 p.m.)

25 --oOo--

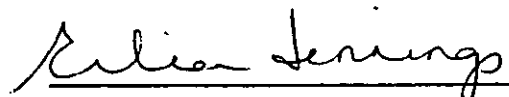
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I, EILEEN JENNINGS, a Certified Shorthand Reporter
of the State of California, do hereby certify:

That I am a disinterested person herein; that the
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California, and thereafter transcribed into typewriting.

I further certify that I am not of counsel or
attorney for any of the parties to said meeting nor in any
way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this
17th day of May, 1987.


EILEEN JENNINGS
Certified Shorthand Reporter
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